

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CASE NO. 1:23-CV-24350-GAYLES/LOUIS

LAGUNITAS BREWING COMPANY d/b/a)
CERVECERIA LA TROPICAL, and)
LA TROPICAL HOLDINGS B.V.,)
)
Plaintiffs,)
)
v.)
)
SOLTURA, LLC dba BUCANERO USA,)
)
Defendant.)
_____)

**DECLARATION OF MARK A. SALKY IN SUPPORT OF
PLAINTIFFS' OPPOSITION TO DEFENDANT'S MOTION TO DISMISS**

I, Mark A. Salky, declare and state as follows:

1. I have personal knowledge of the facts stated in this declaration and, if asked to do so, could and would testify to these facts under oath.
2. I am a shareholder with Greenberg Traurig, P.A. I am one of the counsel of record for the Plaintiffs in this action. I am admitted to practice law in the State of Florida under Bar Number 058221, and am a member of the bar of this Court.
3. Attached hereto as **Exhibit 1** is a true and correct copy of the Complaint for Trademark Infringement, False Designation of Origin, Trade Dress Infringement, and California Unfair Competition, filed on June 13, 2023 at Docket No. 1 in *Soltura, LLC d/b/a Bucanero USA v. Cerveceria La Tropical USA LLC and La Tropical Holdings B.V.*, Case No. 3:23-cv-1104-JES-KSC (S.D. Cal.).

4. Attached hereto as **Exhibit 2** is a true and correct copy of Soltura's Reply in Support of its Motion for Preliminary Injunction, filed on October 4, 2023 at Docket No. 15 in *Soltura, LLC d/b/a Bucanero USA v. Cerveceria La Tropical USA LLC and La Tropical Holdings B.V.*, Case No. 3:23-cv-1104-JES-KSC (S.D. Cal.).

5. Attached hereto as **Exhibit 3** is a true and correct copy of the transcript of a hearing held on October 11, 2023 in *Soltura, LLC d/b/a Bucanero USA v. Cerveceria La Tropical USA LLC and La Tropical Holdings B.V.*, Case No. 3:23-cv-1104-JES-KSC (S.D. Cal.)

6. Attached hereto as **Exhibit 4** is a true and correct copy of Soltura's Motion for Preliminary Injunction, filed on August 28, 2023 at Docket No. 7 in *Soltura, LLC d/b/a Bucanero USA v. Cerveceria La Tropical USA LLC and La Tropical Holdings B.V.*, Case No. 3:23-cv-1104-JES-KSC (S.D. Cal.).

Pursuant to 28 U.S.C. § 1746, I hereby declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Executed this 20th day of December, 2023, in Miami, Florida.

/s/ Mark A. Salky
MARK A. SALKY

EXHIBIT 1

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UNITED STATES DISTRICT COURT
 SOUTHERN DISTRICT OF CALIFORNIA

SOLTURA, LLC dba BUCANERO USA,

 Plaintiff,

 vs.

 CERVECERÍA LA TROPICAL USA
 LLC and LA TROPICAL HOLDINGS
 B.V.,

 Defendants.

Case No. **'23CV1104 JES KSC**

COMPLAINT FOR:
(1) TRADEMARK
INFRINGEMENT;
(2) FALSE DESIGNATION OF
ORIGIN;
(3) TRADE DRESS
INFRINGEMENT;
(4) CALIFORNIA UNFAIR
COMPETITION;

JURY TRIAL DEMANDED

Plaintiff Soltura, LLC dba Bucanero USA (“Soltura”) hereby brings this
 action against Cerveceria La Tropical USA, LLC and La Tropical Holdings B.V.
 (“Defendants”) and alleges as follows:

NATURE OF THE ACTION

1. This is an action for trademark infringement, false designation of
 origin, trade dress infringement, and unfair competition arising from Defendants’
 unauthorized use of a design that infringes Soltura’s intellectual property.
 Defendants’ infringement has irreparably harmed the goodwill and reputation of

1 Soltura and caused Soltura irreparable damage and monetary harm, for which
2 Soltura requests relief in this Court.

3 **THE PARTIES**

4 2. Plaintiff Soltura is a limited liability company located at 312 N Rios
5 Ave., Solana Beach, CA 92075, with a mailing address of 249 South Hwy 101,
6 Suite 530, Solana Beach, CA, 92075.

7 3. Soltura is a marketer and brand owner of beer.

8 4. Upon information and belief, Defendant Cerveceria La Tropical USA,
9 LLC is a Florida limited liability company with a principal place of business at
10 1280 N. McDowell Blvd, Petaluma, CA 94854.

11 5. Upon information and belief, Defendant La Tropical Holdings B.V, is
12 an entity organized under the laws of the Netherlands with its principal place of
13 business in Amsterdam, Netherlands.

14 6. Upon information and belief, Defendants are affiliates and/or
15 subsidiaries of California-based Lagunitas Brewing Company with a principal
16 place of business at 1280 N. McDowell Blvd, Petaluma, CA 94854, and Heineken
17 International which does business in this district, all with common ownership in
18 whole or in part.

19 **JURISDICTION AND VENUE**

20 7. This is an action arising, in part, under the Lanham Act, 15 U.S.C. §§
21 1051 *et seq.* and includes related claims for trade dress and for unfair competition
22 arising under state law.

23 8. This Court has original jurisdiction over this dispute pursuant to 28
24 U.S.C. § 1331 (federal question), and 28 U.S.C. § 1338(a) (trademarks and unfair
25 competition). This Court has supplemental jurisdiction over the state law claim of
26 this complaint pursuant to 28 U.S.C. § 1338(b) and 28 U.S.C. § 1367(a) because
27 the state law claim is so related to the federal law claims that they form the same
28 case or controversy and derive from a common nucleus of operative facts.

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1 9. Venue is proper within this district under 28 U.S.C. § 1391(b) because
2 a substantial part of the events giving rise to the claims in this complaint occurred
3 in this judicial district.

4 10. This Court has personal jurisdiction over Defendants because
5 Defendants' principal place of business is in this state. Moreover, on information
6 and belief, Defendants regularly conduct business in this district and throughout
7 the United States, and are actively engaged in promoting, advertising, marketing,
8 and/or offering products within this judicial district, including the accused product
9 at issue in this lawsuit. Defendants placed and continues to place infringing
10 products into the stream of commerce, with the knowledge or understanding that
11 such products are sold in the State of California, including in this District. The acts
12 by Defendants cause injury to Plaintiff within this District. Upon information and
13 belief, Defendants derive substantial revenue from the sale of infringing products
14 within this District, expects its actions to have consequences within this District,
15 and derives substantial revenue from interstate commerce. Defendants' contacts
16 with this district are sufficient to confer personal jurisdiction over Defendants.

BACKGROUND FACTS

Soltura's Intellectual Property

19 11. Soltura is the originator and importer of Cerveza PALMA, a high-
20 quality beer (hereinafter "PALMA® beer"). As set forth below, Soltura has a duly
21 registered federal trademark for PALMA *and its distinctive design*.

22 12. The labels for PALMA® beer were approved by the United States
23 Alcohol and Tobacco Tax and Trade Bureau in April 2018. PALMA® beer has
24 been sold to retailers and consumers since January 2019.

25 13. PALMA® beer is currently distributed in California, Florida, Illinois,
26 Maryland, Texas, and Wisconsin.

27 14. PALMA® beer is sold in alcohol stores and supermarket chains, such
28 as Walmart, Target, Publix, Sedano's, ABC Liquor, Total Wine & More, BevMo,

Northgate Markets, El Super Market, and Presidente Markets. An example of how the products are displayed and sold in the marketplace is shown here:



1 15. PALMA® beer is high-selling and popular across the country.
2 PALMA® beer is a refreshing, crisp Pilsner malt that is enjoyed by those looking
3 for a refreshing and tasty alcoholic beverage.

4 16. Soltura is the owner of registered trademark, United States Trademark
5 Registration No. 5,824,189, CERVEZA PALMA and Design (hereinafter
6 “PALMA (PLUS DESIGN) mark”). A true and correct copy of U.S. Trademark
7 Registration No. 5,824,189 is attached hereto as Exhibit A.¹

8 17. The PALMA (PLUS DESIGN) mark was registered on August 6,
9 2019.

10 18. The design of the PALMA (PLUS DESIGN) mark is as follows:



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18 19. Soltura’s federal trademark registration was duly and legally issued, is
19 valid and subsisting, and constitutes prima facie evidence of Soltura’s exclusive
20 ownership of the PALMA (PLUS DESIGN) mark.

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22
23 ¹ Soltura has also applied for a similar mark, CERVEZA PALMITA (PLUS DESIGN), U.S.
24 Serial No. 97302866. This mark is pending registration and appears as follows:



20. Soltura's PALMA (PLUS DESIGN) mark has been in continuous use in the United States since it debuted in 2019.

21. Soltura has adopted, utilized, and extensively marketed the Palma beer products under the PALMA (PLUS DESIGN) mark.

22. The mark has become closely associated with Soltura's business and beer products. The mark is apparent on all PALMA® beer products, as shown in the exemplar photographs below:



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23. PALMA® beer also is marketed with a distinctive and protected trade dress. As is seen in these images, PALMA® beer enjoys a unique appearance—recognizable as the style, work and trade dress of Soltura—that is visually appealing and distinctive from all other alcoholic beverages on the shelves of retailers. Specifically, the PALMA® trade dress consists of the overall look-and-feel resulting from the distinctive combination of the following non-functional features on an aluminum can and the packaging of these beverages: (a) a green background with a contrasting red stripe that runs diagonally upwards from left to right across the center of the product; (b) the name of the product in white text offset against the red stripe; (c) a white oval displaying a palm tree image; (d) a Spanish phrase featuring “La Preferida” (“the preferred one”) as a slogan (hereinafter, “PALMA® trade dress”).²

24. PALMA® beer is sold in aluminum cans and is packaged in 6-packs of cans (*see* images above). The PALMA® trade dress is used on all packaging and all cans of PALMA® beer.

25. The PALMA® trade dress is inherently distinctive.

26. The PALMA® trade dress is non-functional.

27. By virtue of significant sales, quality, and uniqueness of design, and the substantial time, effort, and money expended over the years by Soltura in creating, promoting, and popularizing its mark and trade dress, Soltura has developed a valuable reputation and goodwill in connection with the mark and trade dress. Soltura enjoys substantial demand for this product.

28. Soltura always advertises Palma beer using the PALMA® trade dress and the PALMA (PLUS DESIGN) mark. Soltura advertises through signs, stickers, and sell-sheets in stores. It also uses online digital advertising, social media, its website, billboards, and trucks to further promote the product. All

² Soltura has recently changed its cans and packaging to include the phrase “La Preferida” rather than “La Preferida de Cuba.”

advertisements consistently contain the PALMA® trade dress and the PALMA (PLUS DESIGN) mark so that viewers will associate the image of PALMA® beer with Soltura. For example:



29. As a result of these extensive marketing efforts and sale, the relevant public has come to recognize an association between the PALMA (PLUS DESIGN) mark and Soltura.

30. The relevant public has also come to recognize an association between the PALMA® trade dress and Soltura. The PALMA® trade dress has become widely known, uniquely associated with Soltura, and represents substantial value and goodwill to Soltura.

31. Due to this success, others in the industry— including Defendants — have taken to copying or “knocking off” Soltura’s trademark and trade dress in an illegitimate effort to compete and cause consumer confusion with Soltura’s PALMA® brand of beer.

Defendants’ Wrongful Conduct

32. Defendants brew and sell, *inter alia*, beer. *See* <https://www.cerveceriatropical.com/beers/>

33. One of Defendants’ beers is called TROPI CRYSTAL, shown here:



³ Source: @latropicalbeer Instagram page, at <https://www.instagram.com/p/Cq5pO9MrwJo/?hl=en>



36. Likelihood of consumer confusion is high because the parties have designed their cans to be reminiscent of a Cuban beer Cerveza Cristal. Palma's product is inspired by Cerveza Cristal and is a favorite among Cuban-Americans. On information and belief, Defendants' product is also intended to be reminiscent

- 10 -

of that same Cuban beer can. Defendants in fact market their product with that original product (which is the white can on the left):



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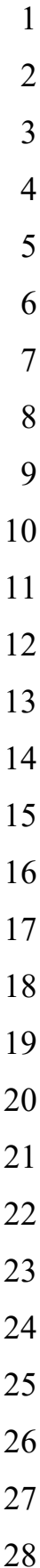
37. The fact that both products are reminiscent of the same product necessarily creates confusion. On information and belief, the Cuban beer “Cerveza Cristal” has never been and/or is not marketed in the United States in any commercially or otherwise significant way and it therefore enjoys no trademark or trade dress rights in this country, where earlier use gives Soltura priority. Even less so do Defendants enjoy such rights, as their subsequent use raises the likelihood of confusion with Soltura.

38. Defendants are currently selling its products in the marketplace. An example of this is as follows:

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⁵ Source: @latropicalbeer Instagram page, at <https://www.instagram.com/p/CqnIYMSOICh/?hl=en>

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42. Soltura's trademark, United States Trademark Registration No. 5,824,189, was duly and legally issued by the United States Patent and Trademark Office on August 6, 2019.

43. The logo used on Defendants' TROPI CRYSTAL products is a violation of Soltura's rights in its registered trademark.

44. The logo used on Defendants' TROPI CRYSTAL products is likely to cause confusion, mistake, and deceive customers.

45. Defendants' actions constitute a blatant attempt to confuse the consuming public and to trade off Soltura's goodwill.

46. Defendants acted knowingly and willfully, with full knowledge of the likelihood of confusion and with the intent to deceive consumers in order to trade off the efforts and earned goodwill and reputation of Soltura.

47. By reason of the foregoing acts of trademark infringement, Soltura has been injured in an amount not yet ascertained. Further, Defendants have been unjustly enriched by virtue of its deception of customers and misappropriation of Soltura's goodwill.

48. In addition, as a result of Defendants' acts of infringement, Soltura suffered and will continue to suffer irreparable harm for which Soltura has no adequate remedy at law, including damage to Soltura's goodwill. Unless Defendants' acts of infringement are enjoined by the Court, Soltura will continue to suffer irreparable harm.

49. Defendants' actions are known, intentional, wanton, and willful. The principles of equity warrant an award to Soltura of treble damages and profits, attorney's fees, and the costs of this action pursuant to 15 U.S.C. § 1117.

SECOND CLAIM FOR RELIEF

False Designation of Origin Under 15 U.S.C. § 1125(a)

50. Soltura incorporates the allegations of all the preceding paragraphs as if fully set forth herein.

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51. Soltura's trademark, United States Trademark Registration No. 5,824,189, was duly and legally issued by the United States Patent and Trademark Office on August 6, 2019.

52. The logo used on Defendants' TROPI CRYSTAL products is a false designation of origin causing a likelihood of confusion, mistake, and deception as to source, sponsorship, affiliation, and/or connection in the minds of the public. Defendants' conduct has infringed Soltura's trademark rights in violation of Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a)(1).

53. By reason of the foregoing acts of trademark infringement, Soltura has been injured in an amount not yet ascertained. Further, Defendants have been unjustly enriched by virtue of its deception of customers and misappropriation of Soltura's goodwill.

54. In addition, as a result of Defendants' acts of infringement, Soltura suffered and will continue to suffer irreparable harm for which Soltura has no adequate remedy at law, including damage to Soltura's goodwill. Unless Defendants' acts of infringement are enjoined by the Court, Soltura will continue to suffer irreparable harm.

55. Defendants' actions are known, intentional, wanton, and willful. The principles of equity warrant an award to Soltura of treble damages and profits, attorney's fees, and the costs of this action pursuant to 15 U.S.C. § 1117.

THIRD CLAIM FOR RELIEF

Trade Dress Infringement and Unfair Competition

56. Soltura incorporates the allegations of all the preceding paragraphs as if fully set forth herein.

57. The Palma trade dress is inherently distinctive or has acquired secondary meaning. The Palma trade dress is non-functional.

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58. Defendants have infringed Soltura's rights in the PALMA® trade dress by using a confusingly similar design in the infringing TROPI CRYSTAL products in commerce without Soltura's permission.

59. This is evident through a comparison of the two products:



60. Defendants' use of design elements confusingly similar to the PALMA® trade dress in connection with the infringing TROPI CRYSTAL products constitutes a false or misleading description of fact and has caused and is likely to cause confusion, mistake, or deception as to the affiliation, connection, or association of Defendants' products with Soltura and the origin, sponsorship, or approval of Defendants' products by Soltura.

61. Defendants' acts, including its manufacture and sale of the infringing TROPI CRYSTAL products, constitute trade dress infringement or false designation of origin in violation of 15 U.S.C. § 1125(a)(1)(A).

62. Defendants' acts constitute willful and intentional infringements of the PALMA® trade dress, and Defendants did so with the intent to trade upon Soltura's reputation and goodwill by causing confusion and mistake among customers and the public, and to deceive the public into believing that Defendants'

1 products are associated with, sponsored by, approved by, or originating from
2 Soltura when they are not.

3 63. Defendants had knowledge of Soltura's ownership and prior use of the
4 PALMA® trade dress and, without the consent of Soltura, willfully violated 15
5 U.S.C. § 1125(a)(1)(A).

6 64. Defendants have acted in bad faith or willfully in using design
7 elements confusingly similar to the Palma trade dress in connection with the
8 infringing TROPI CRYSTAL products.

9 65. Defendants' infringing acts have caused, and unless restrained by this
10 Court will continue to cause, Soltura irreparable injury to its reputation and
11 goodwill. Defendants' infringing acts have caused, and unless restrained by this
12 Court will continue to cause, Soltura actual monetary damages, including, but not
13 limited to, lost profits.

14 66. Soltura does not have an adequate remedy at law to recover for its
15 harm and is therefore entitled to injunctive relief.

16 **FOURTH CLAIM FOR RELIEF**

17 **Unfair Competition**

18 67. Soltura incorporates the allegations of all the preceding paragraphs as
19 if fully set forth herein.

20 68. By virtue of the actions complained of herein, Defendants have
21 intentionally caused a likelihood of confusion among consumers and the public,
22 causing a false association or sponsorship between Defendants' goods and Soltura.
23 This constitutes unlawful, unfair, and fraudulent business practices in violation of
24 California Bus. & Prof. Code §§ 17200 *et seq.*

25 69. Defendants' actions complained of herein constitute trademark
26 infringement, trade dress infringement, unfair competition, and/or unlawful, unfair,
27 malicious, or fraudulent business practices, which have injured Soltura.

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70. Defendants have acted in bad faith or willfully in using design elements confusingly similar to the PALMA® trade dress in connection with the TROPI CRYSTAL products.

71. Defendants' unfair and unlawful business practices, in violation of California Bus. & Prof. Code §§ 17200 *et seq.*, have caused substantial injury to Soltura and continue to cause substantial injury. Soltura has no adequate remedy at law for these injuries.

72. Unless Defendants are restrained by this Court from continuing its unfair and unlawful business practices, in violation of California Bus. & Prof. Code §§ 17200 *et seq.*, these injuries will continue to accrue.

73. Accordingly, Soltura is entitled to preliminary and permanent injunctive relief against Defendants' unfair and unlawful business practices constituting statutory unfair competition.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff Soltura demands judgment as follows:

A. That the Court render final judgment in favor of Soltura and against Defendants on all claims of relief alleged herein;

B. A declaration that Defendants willfully infringed Soltura's registered trademark and has caused damage to Soltura;

C. A declaration that Defendants violated the provisions of 15 U.S.C. § 1125(a) by willfully infringing Soltura's rights in the PALMA® trade dress;

D. A declaration that Defendants violated the provisions of 15 U.S.C. § 1125(a) by unfairly competing against Soltura by using false, deception, or misleading statements of fact that misrepresent the nature, quality, and characteristics of the infringing "La Tropical" products;

E. A declaration that Defendants violated California Bus. & Prof. Code §§ 17200 *et seq.* by committing trademark and/or trade dress infringement and/or unfairly competing with Soltura;

1 F. That Soltura be awarded actual damages it has sustained as a result of
2 Defendants' conduct pursuant to 15 U.S.C. § 1117;

3 G. That Soltura be awarded Defendants' profits obtained by Defendants
4 as a result of Defendants' conduct complained of herein pursuant to 15 U.S.C. §
5 1117;

6 H. That any such damages and profits be trebled and awarded to Soltura
7 as a result of Defendants' willful, intentional, and deliberate acts in violation of the
8 Lanham Act, pursuant to 15 U.S.C. § 1117;

9 I. An award to Soltura of its reasonable attorney fees pursuant to 17
10 U.S.C. § 505 and/or 15 U.S.C. § 1117(a), filing fees, and the costs of this action;

11 J. Prejudgment and post judgment interest on the above monetary
12 awards;

13 K. A preliminary and permanent injunction enjoining Defendants, their
14 officers, agents, servants, employees, attorneys, and those in active concert or
15 participation with it who receive actual notice of the order by personal service or
16 otherwise, from: further acts of infringement of the PALMA (PLUS DESIGN)
17 mark; utilizing or imitating Soltura's trademarks or trade dress, including but not
18 limited to manufacturing, distributing, advertising, selling, or offering for sale, any
19 products which use any trademark which is confusingly similar to the PALMA
20 (PLUS DESIGN) mark or the PALMA® trade dress; injuring the commercial
21 reputation, renown, and goodwill of Soltura; and unfairly competing with Soltura
22 in any manner whatsoever and ordering Defendants to cancel all orders for the LA
23 TROPICAL products embodying marks confusingly similar to Soltura's;

24 L. That Defendants be required to deliver and destroy all goods,
25 advertising, and other unauthorized materials infringing Soltura's intellectual
26 property, pursuant to 15 U.S.C. § 1118;

27 M. Such other and further relief as this Court deems equitable and just.

28 ///

JURY DEMAND

Pursuant to Fed. R. Civ. P. 38(b), Soltura hereby demands a trial by jury on all issues so triable.

Dated: June 13, 2023

GORDON REES SCULLY
MANSUKHANI, LLP

By: /s/ Richard P. Sybert
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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

SOLTURA, LLC dba BUCANERO USA,

Plaintiff,

vs.

CERVECERÍA LA TROPICAL USA
LLC and LA TROPICAL HOLDINGS
B.V.,

Defendants.

Case No. 3:23-cv-01104-JES-KSC

**SOLTURA'S REPLY IN
SUPPORT OF ITS MOTION FOR
PRELIMINARY INJUNCTION**

Hearing Date: October 11, 2023
Hearing time: 9:30 a.m.

District Judge: James E. Simmons, Jr.
Magistrate Judge: Karen S. Crawford

Complaint Filed: June 13, 2023

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I. INTRODUCTION

Defendants’ main argument in opposition is to attempt to distract the Court from the similarities between Soltura’s PALMA® beer and Defendants’ Tropi Crystal beer by pointing to similarities between PALMA® and a Cuban beer Cristal, which has no rights in the United States. (*See generally* “Opp,” ECF No. 13; ECF No. 13-1, at ¶ 27 (Portuondo declaration) (noting there have been no successful efforts to “register and/or maintain the registrations for the CRISTAL trademark and label”).) Defendants use this fact to argue that Soltura has unclean hands, that there is no likelihood of confusion, that Soltura has ill intent, and that Soltura has not been harmed. This argument is a pure red herring. Indeed, what this argument is missing is any legal support, *i.e.* any case law or authority at all holding that by designing its beer to be reminiscent of a popular Cuban beer, this diminishes Soltura’s US-based rights or allows La Tropical to copy Soltura. In fact, Soltura has valid rights, and has a right to prevent La Tropical from continuing to produce a competing and near-identical beer.¹ Accordingly, Soltura’s motion for preliminary injunction should be granted.

¹ As they did in their Motion to Dismiss, (ECF No. 9), Defendants attempt to deflect any responsibility by stating that neither Defendant “is involved in the production, marketing, or sale of Tropi Crystal beer.” (Opp. at 11 n.1.) However, Defendants have made statements that demonstrate that they in fact are involved in the production, marketing, or sale of Tropi Crystal beer. For example, Mr. Portuondo’s declaration in support of Defendants’ Motion to Dismiss states that Tropi-Crystal is “brewed and canned by Cerveceria La Tropical, Miami, Florida.” (ECF No. 9-2 at ¶ 20.) Defendants claim ownership to this Miami brewery. (Opp. at 12.)

Further, Mr. Portuondo’s declaration in support of Defendants’ Opposition to the Motion for Preliminary Injunction continues to represent that Defendants are in charge of the beer can design. Mr. Portuondo states when “we” received Soltura’s cease and desist letter, “[w]e decided to proceed with implementation of the new design regardless of Soltura’s position.” (ECF No. 13-1 at ¶¶ 33, 39.) He states, “[W]e designed a revised label for Tropi Crystal beer and provided a rendering of the revised label to Soltura.” (ECF No. 13-1 at ¶ 37.)

As demonstrated by the declarations, Mr. Portuondo speaks on behalf of Defendants who directly make decisions about labeling. Defendants’ statements that they do not produce Tropi Crystal is unsupported.

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II. ARGUMENT

A. Defendants’ New and Old Can Infringe Soltura’s Trade Dress

Defendants first argue that the present motion should be denied because they have “entirely ceased using the trade dress for Tropi Crystal beer that is the subject of [Soltura’s] Complaint and Motion.” (Opp. at 9–11.) However, the changes that Defendants claimed to have been made are minimal. (*See id.* at 11.) The primary color of the can is still green, with the same red stripe running from lower left to upper right, using a Spanish slogan and a palm tree within an oval. (*See id.*) The overall commercial impression is still the same.

Soltura’s Motion seeks to enjoin not just the specific prior design, but a beer with a similar trade dress to Soltura’s PALMA®. (*See generally* ECF No. 7.) This covers the new can. The authority that Defendants cite is not applicable, as it holds that a motion for preliminary injunction is moot if the alleged infringer ceased the “unlawful activity.” (Opp. at 9–10.) However, as the allegedly new can still unlawfully infringes Soltura’s trade dress, Soltura’s motion is not moot.

B. Soltura Has Clean Hands in Seeking Injunctive Relief

1. Soltura Is Not Misleading Consumers

Defendants claim that Soltura intentionally “misleads” consumers into believing that PALMA® is produced in Cuba due to the similarity between PALMA® and Cuban beer Cristal. (Opp. at 13.) Defendants cite no authority for their proposition that designing a can to be reminiscent of a popular Cuban beer – one that has no rights in the United States and is not sold in the United States – is misleading or somehow wrongful. Defendants cite no examples of Soltura purportedly claiming any association with Cuban Cristal, nor can they, as Soltura has not done so. The “examples” of such purported “confusion” are simply irrelevant as they are from sources outside of the United States discussing the confusion in another country and have no relevance to the only marketplace at issue - the United States. (Opp. at 14–15.) Soltura has legal rights to sell

1 PALMA® in the United States; the fact that some people discuss similarities
2 between Palma and Cristal in other countries has nothing to do with this case
3 which deals with the similarities between PALMA® and Tropi Crystal.

4 In any event, to establish an unclean hands defense, Defendants must show
5 the Soltura “dirtied [its hands] in acquiring the right [it] now asserts.” *Republic*
6 *Molding Corp. v. B.W. Photo Utilities*, 319 F.2d 347, 349 (9th Cir. 1963). What is
7 material in this determination is “not that the plaintiff’s hands are dirty, but that [it]
8 dirtied them in acquiring the right [it] now asserts, or that the manner of dirtying
9 renders inequitable the assertion of such rights against the defendants.” *Ellenburg*
10 *v. Brockway, Inc.*, 763 F.2d 1091, 1097 (9th Cir.1985).

11 Defendants fail to claim that any similarities to Cuban Cristal or that
12 Soltura’s use of the phrase “La Preferida de Cuba” allowed Soltura to acquire the
13 trademark registration or trade dress at issue. (Opp. at 13–16.) The phrase is not
14 part of Soltura’s registered trademark, and there is nothing “unclean” about
15 designing a beer to be reminiscent of a foreign beer (itself possessing no rights or
16 use in the United States market) or using a certain phrase on one’s can.²

17 Defendants cite to *Havana Club Holding, S.A. v. Galleon*, No. 96 CIV. 9655
18 (SAS), 1998 WL 150983, at *1 (S.D.N.Y. Mar. 31, 1998) to support their
19 argument. (Opp. at 15–16). There, the plaintiff alleged the defendant’s use of the
20 term “Havana Club” was misleading because defendant’s rum was not made in
21 Cuba. 1998 WL 150983, at *1. The court found that if plaintiff had sold
22 Panamanian (non-Cuban made) rum under the “Havana Club” label:

23 [D]efendants could show that the right plaintiffs assert is premised on
24 fraudulent conduct, and thus that equitable relief should not be granted.
25 In such circumstances, issuing an injunction would effectively reward
26 plaintiff for mislabeling their Panamanian rum by giving them a
substantive right under the Lanham Act that they would not have

27
28 ² In any event, Soltura has changed its can design and no longer uses the phrase “La Preferida de
Cuba.” (See Wadley Decl., ECF No. 7-3 at ¶ 11.)

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1 otherwise possessed: The right to sue competitors who falsely claim
2 that their products are made in Cuba.

3 *Id.* at *5. As noted above and reinforced by *Havana Club*, the “consequence of
4 this rule in the trademark context is that the availability of injunctive relief is
5 generally only affected when a plaintiff attempts to enforce a right acquired
6 through inequitable conduct.” *Id.* at *5.

7 Here, unlike *Havana Club*, this case between Soltura and Defendants does
8 not involve any claims against Defendants for false advertising or
9 misrepresentations for representing any connection to Cuba. Therefore, even if
10 Soltura’s previous conduct, such as advertising its product as “La Preferida de
11 Cuba” or designing its product in a certain way, *arguendo* constituted unclean
12 hands (and of course it does not, there is nothing illegal or “unclean” about it), it is
13 not unclean hands that allowed Soltura to acquire the rights it now asserts, and is
14 not at all relevant to the infringement issues here.

15 2. Soltura is Validly Licensed

16 Defendants also claim that Soltura conducts illegal activity by selling
17 alcohol without an ABC license and Certificate of Label Approval (“COLA”).
18 (Opp. at 16–19.) In response to Defendants’ Motion to Dismiss, Soltura pointed
19 out that Defendants are incorrect. Soltura’s owner Mr. Wadley declared that
20 Soltura does have a COLA and clarified that while Soltura was licensed
21 continually in California as a wholesaler and importer until January of 2023, it is
22 now only the brand owner and is not currently acting as a wholesaler or importer.
23 Instead, Soltura’s wholesalers and importers have ABC licenses. (ECF No. 14-9 at
24 ¶¶6-8.) There are no “unclean” hands here.

25 **C. Soltura is Likely to Prevail on the Merits**

26 1. Soltura’s Trade Dress is (Inherently) Distinctive

27 In arguing that Soltura’s trade dress is not distinctive, Defendants point to
28 various beers with red stripes and another with a white oval with palm trees. (Opp.

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at 14.)³ By picking one piece of Soltura’s trade dress and finding examples with that same piece to argue lack of distinctiveness, Defendants miss the point. “[I]n analyzing distinctiveness, the Court analyzes the impression made by the trade dress as a whole, rather than a list of individual features.” *E & J Gallo v. Proximo Spirits, Inc.*, No. CV-F-10-411, 2012 WL 273076, at *10 (E.D.Cal. Jan. 30, 2012).

No beer example cited by Defendants’ has the same/similar trade dress as Soltura’s PALMA®, *i.e.*, a green background with a contrasting red stripe that runs diagonally upwards from left to right across the center of the product; the name of the product in white text offset against the red stripe; a white oval displaying a palm tree image; and a Spanish phrase as a slogan. Looking at Soltura’s trade dress as a whole instead of its individual features clearly demonstrates that it is inherently distinctive.

2. Alternatively, Soltura’s Trade Dress Has Secondary Meaning

Defendants also argue that Soltura needs to establish secondary meaning. They are incorrect. Generally, “[i]f a mark is inherently distinctive it need not be shown to also have a secondary meaning.” *Int’l Jensen, Inc. v. Metrosound U.S.A., Inc.*, 4 F.3d 819, 824 (9th Cir. 1993). As explained above, the product is inherently distinctive.

However, in any event, Soltura has also sufficiently established secondary meaning. In arguing otherwise, Defendants contend that Soltura needs “evidence of direct consumer testimony” or a “survey” showing secondary meaning. (Opp. at 15.) This may very well be true for dispositive motions such as summary judgment motions, like in the cases Defendants cite. Defendants mislead the Court in presenting *Sazerac Co. v. Fetzer Vineyards, Inc.*, 265 F.Supp.3d 1013, 1034 (N.D.Cal. 2017) as a case “denying motion for preliminary injunction where plaintiff ‘provided no evidence that its marketing efforts effectively created

³ Defendants of course also point to the Cuban beer Cerveza Cristal, but has been discussed extensively, this beer has no rights in the United States.

secondary meaning.[]” (Opp. at 16.) *Sazerac* was decided after a bench trial, where obviously evidence would be needed.

In fact, a “plaintiff may establish secondary meaning through direct and circumstantial evidence.” *Cont’l Lab’y Prod., Inc. v. Medax Int’l, Inc.*, 114 F.Supp.2d 992, 999–1000 (S.D.Cal. 2000) (citing McCarthy on Trademarks and Unfair Competition § 15:30 (4th ed. 2000)). A “plaintiff may ... establish secondary meaning through circumstantial evidence, such as: exclusivity, manner, and length of use, amount and manner of advertising, amount of sales and the number of customers, and plaintiff’s established place in the market.” *Id.* at 1000. This is exactly what Soltura did. (See ECF No. 7-1 at 19 n.10; ECF No. 7-3, at ¶ 13-15, 21 (discussing Soltura’s extensive advertising, exclusive use, and sales).)

Applicable here, in analyzing a motion for preliminary injunction, the court in *Zest Anchors, LLC v. Geryon Ventures, LLC*, 615 F.Supp.3d 1206, 1233 (S.D.Cal. 2022), analyzed the plaintiff’s request for a preliminary injunction and found that plaintiff’s trade dress had “acquired secondary meaning because of its long, exclusive use; Plaintiffs’ substantial advertising efforts; and Defendants’ exact copying.” Other courts have followed similar reasoning. See *Cal. Scents v. Surco Prod., Inc.*, 28 F.App’x 659, 663 (9th Cir. 2002) (“Five years of exclusive use is prima facie evidence of secondary meaning.”); *Walker & Zanger, Inc. v. Paragon Indus., Inc.*, 549 F.Supp.2d 1168, 1180 (N.D.Cal. 2007) (“Widespread promotional activities enable a design to obtain secondary meaning in a short period.”). The same is true here.

3. Defendants’ Own Survey Shows a Likelihood of Confusion

Defendants’ expert conducted what they assert to be a likelihood of confusion survey (in fact, it is defective, does not meet the exacting standards of trademark confusion surveys, and in any event still shows an actionably high incidence of confusion) (ECF No. 13-3 [Keegan Declaration]) and Defendants hang on this to argue there is no likelihood of confusion between the products. Of

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1 course, Mr. Keegan broadly concluded there is no likelihood of confusion between
2 the products, but that is not what his results actually show. In fact, Mr. Keegan’s
3 survey found that the overall level of likelihood of confusion between Defendants’
4 Tropi Crystal and Soltura’s PALMA® was an astounding 50.8%. (ECF No. 13-3
5 at ¶ 59.)

6 Courts in this jurisdiction have found that consumer association of
7 approximately fifty percent (50%) is sufficient to establish likelihood of confusion.
8 *See Thrive Nat. Care, Inc. v. Thrive Causemetics, Inc.*, No. CV 20-9091 PA
9 (ASX), 2021 WL 4813257, at *4 (C.D.Cal. Oct. 6, 2021) (“Generally, confusion
10 levels of 25 to 50 percent provide ‘solid support’ for a finding of likelihood of
11 confusion.”); *Warner Bros. Ent. v. Glob. Asylum, Inc.*, No. CV 12-9547 PSG
12 CWX, 2012 WL 6951315, at *4 (C.D.Cal. Dec. 10, 2012) (same); *see also*
13 McCarthy at § 32:188 (stating that confusion levels over 50 percent viewed as
14 “persuasive evidence” of likely confusion). Simply because there may be
15 confusion between Soltura’s PALMA® and other beers or PALMA® and the
16 Cuban beer Cerveza Cristal, as Keegan found (ECF No. 13-3 at ¶ 59), does not
17 mean there is also not confusion between PALMA® and Tropi Crystal.

18 Defendants cite no case law otherwise. And, the Cuban beer is not at issue here.

19 Defendants also hang onto the fact that Soltura conducted no survey, and
20 argue that this raises a presumption or negative inference that a survey would be
21 unfavorable to Soltura. (Opp. at 29.) However, survey evidence is not required to
22 establish likelihood of confusion. *Comm. for Idaho's High Desert, Inc. v. Yost*, 92
23 F.3d 814, 822 (9th Cir. 1996) (“survey evidence is only one of the most persuasive
24 ways to prove secondary meaning, and not a requirement for such proof”); *Cairns*
25 *v. Franklin Mint Co.*, 24 F.Supp.2d 1013, 1041 (C.D.Cal. 1998) (“Survey evidence
26 is not required to establish likelihood of confusion, [...] [but] is often the most
27 persuasive evidence.”). In any event, the Court need not presume the results of any

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1 such hypothetical survey, when Defendants’ own survey shows clear likelihood of
2 confusion.

3 4. The Likelihood of Confusion Factors Weigh in Favor of Soltura

4 An analysis of the likelihood of confusion factors is hardly needed at this
5 time given Defendants’ own survey evidence, however, Soltura responds briefly to
6 Defendants’ contentions on the factors here for any issues not already been
7 addressed in Soltura’s motion.

8 First, Defendants seem to admit that many factors weigh in favor of Soltura:
9 proximity of the goods, marketing channels, sophistication of consumers, and
10 likelihood of expansion. (Opp. at 18, 21.) Second, as to strength, Defendants
11 demand summary judgment- or bench trial-like detail at the wrong stage. (Opp. at
12 17.) The case law Defendants cites provides for what is needed to show evidence
13 of commercial strength at such stages. That is inapplicable here.

14 Third, as to intent/bad faith, Defendants again attempt to point the blame
15 away from themselves; rather than point to evidence that they had no intent to
16 trade off of Soltura’s goodwill, they argue Soltura is trading off of the Cuban
17 company’s goodwill. (Opp. at 22.) If this were relevant, one would presume
18 Defendants would have provided some legal support.

19 **D. Soltura is Entitled to a Presumption of Irreparable Harm**

20 Defendants focus all their attention on the alleged need for “concrete
21 evidence” of irreparable harm. (Opp. at 23.) Yet, when the Court concludes that a
22 plaintiff has established a likelihood of success on the merits, “[b]y statute,
23 [Plaintiff is] entitled to a rebuttable presumption of irreparable harm on [its]
24 trademark claim.” *AK Futures LLC v. Boyd St. Distro, LLC*, 35 F.4th 682, 694
25 (9th Cir. 2022) (citing 15 U.S.C. § 1116(a)).

26 That is the case here. As demonstrated above and in the Motion, Soltura has
27 established a likelihood of success on the merits. (See Section C; see also ECF No.
28 7-1 at 8–20.) Thus, Soltura is entitled to the presumption of irreparable harm.

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E. The Balance of Equities and Public Interest Favor Soltura

Defendants argue that they are “simply using a trademark and trade dress that their predecessors used” and that “[i]t is [Soltura] who seeks to capitalize on the good will and nostalgia of Defendants’ predecessors’ famous Cristal brand.” (Opp. at 32.) However, even *arguendo*, this is wholly irrelevant. As already indicated, Defendants’ “predecessors” do not have any trademark or trade dress rights in the United States. Again, there is no case law that there is anything wrong with Soltura designing its beer to be reminiscent of a foreign beer, let alone any case law that doing so provides Soltura no rights to enforce its valid intellectual property against infringer La Tropical.

Defendants further argue (via lawyer argument in their brief) that an injunction will cause them hardship because they have “invested substantial resources to develop the Tropi Crystal brand and trade dress[.]” (*Id.*) Notably, no declarations in support of Defendants’ opposition support this statement. It is Soltura’s valid intellectual property rights and the public which are being harmed by Defendants’ infringing conduct.

F. Soltura’s Request Complies With Rule 65

Defendants argue that Soltura’s requested injunction is vague as to what it enjoins, and is thus violating Rule 65. (Opp. at 33.) Defendants cite to *Reno Air Racing Ass’n, Inc. v. McCord*, 452 F.3d 1126, 1132 (9th Cir. 2006). In *Reno Air*, the Ninth Circuit considered the terms of the injunction in its particular context—the injunction was included in a TRO that issued the same day the action commenced and the parties had no prior litigation history. 452 F.3d at 1133–34. The *Reno Air* TRO enjoined the defendant from making, distributing or disposing of “items which bear the trademarks set forth in Exhibit F [...] or any confusingly similar variations thereof.” *Id.* at 1132. The TRO did not reference trademark registrations nor did it describe the marks themselves. *Id.* at 1133. Exhibit F contained a copy of a t-shirt design that included various terms and images. *Id.*

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1 The Ninth Circuit noted, “[l]ooking at this t-shirt design, one is hard pressed to
2 know what trademarks are referenced in the order, whether the ‘trademarks’
3 invoked in the TRO referred to the t-shirt, the design as a whole, the phrase ‘Reno
4 Air Races,’ all of the words depicted, the checkered pylon, one or more airplanes,
5 the pylon plus one or more airplanes, or some other combination.” *Id.* The Ninth
6 Circuit also noted that the phrase “confusingly similar variations thereof” was
7 ambiguous, particularly because “the underlying order failed to identify the
8 trademarks with sufficient specificity.” *Id.* “The TRO failed to meet even the
9 most minimal fair notice requirement.” *Id.* at 1134.

10 Unlike in *Reno Air*, Soltura meets Rule 65’s fair notice requirement. In its
11 Motion, Soltura has defined the PALMA (PLUS DESIGN) mark and PALMA®
12 trade dress, so its requested injunction enjoining Defendants from infringing these
13 clear designs or anything confusingly similar thereof sufficiently describes the
14 terms and describe the act or acts sought to be restrained.

15 **III. CONCLUSION**

16 Soltura respectfully requests that this Court enjoin Defendants, their officers,
17 agents, servants, employees, attorneys, and those in active concert or participation
18 with it who receive actual notice of the order by personal service or otherwise,
19 from: further acts of infringement of the PALMA (PLUS DESIGN) mark; utilizing
20 or imitating Soltura’s trademarks or trade dress, including but not limited to
21 manufacturing, distributing, advertising, selling, or offering for sale, any products
22 which use any trademark which is confusingly similar to the PALMA (PLUS
23 DESIGN) mark or the PALMA® trade dress; injuring the commercial reputation,
24 renown, and goodwill of Soltura; and unfairly competing with Soltura in any
25 manner whatsoever and ordering Defendants to cancel all orders for the Tropi
26 Crystal products embodying marks confusingly similar to Soltura’s.

27 ///

28 ///

1 Dated: October 4, 2023

Respectfully submitted,
GORDON REES SCULLY MANSUKHANI, LLP

3
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EXHIBIT 3

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

SOLTURA, LLC,) CASE NO.: 3:22-cv-01104-JES-KSC
)
Plaintiff,) WEDNESDAY, OCTOBER 11, 2023
)
v.) SAN DIEGO, CALIFORNIA
)
CERVECERIA LA TROPICAL USA,) MOTION HEARING
LLC, et al.,)
)
Defendants.) HONORABLE JAMES E. SIMMONS
) UNITED STATES DISTRICT JUDGE
) SOUTHERN DISTRICT OF CALIFORNIA

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1 SAN DIEGO, CALIFORNIA; WEDNESDAY, OCTOBER 11, 2023

2 9:31 a.m. - 10:31 a.m.

3 - - - -

4 (Court called to order.)

5 THE CLERK: Calling matter number 1, 23-cv-01104,
6 Soltura, LLC v. Cerveceria La Tropical USA, LLC, et al., for a
7 motion hearing.

8 THE COURT: All right. Good morning, everyone.

9 MR. WADYKA: Good morning, Your Honor.

10 THE COURT: And I know we have somebody who's logged
11 in remotely with us.

12 Can you hear me okay?

13 MS. BROWN: Yes, I can.

14 THE COURT: All right. Thank you.

15 Can I have everyone please state their appearances.

16 MS. BROWN: Hannah Brown for the plaintiff.

17 MR. WADYKA: Steve Wadyka for defendants.

18 THE COURT: Thank you.

19 This matter is set for two motions.

20 First, the preliminary is set for a motion for a
21 preliminary injunction filed by the plaintiff. It's also set
22 for a motion to dismiss filed by the defendant.

23 I've read all pleadings, the initial motions, the
24 oppositions, as well as each of the replies; I've read the
25 attached declarations; I've seen the exhibits that have been

1 submitted.

2 So I have a few questions at the outset that I'd
3 like the parties to address. First of all, one of the issues
4 that the defendant has raised is personal as well as subject
5 matter jurisdiction in this case. So obviously once that has
6 been raised, the burden shifts to the plaintiff to then prove
7 that this court has jurisdiction over the defendants. In
8 particular, if I understand it, the plaintiff's argument,
9 because the two defendants are holding companies for the land
10 as well as for the trademarks that are in use by Heineken and
11 their principal place of business is here in California, that
12 gives rise to personal jurisdiction. I think that's the
13 plaintiff's argument, which I would need a lot more
14 information from the plaintiff to really explain that argument
15 to the Court.

16 Secondly, all of the actions that happened in this
17 case -- the defendant's Tropi Crystal beer is sold exclusively
18 in Florida; the trademark that is alleged to have been
19 violated is on a product that is exclusively sold in Florida.
20 My understanding is that product is not sold in California,
21 and neither party makes that assumption or makes that
22 argument. The product is not introduced into the stream of
23 commerce in California.

24 So why is this the appropriate venue, and why does
25 this court have jurisdiction -- either general or subject

1 matter jurisdiction -- in this matter or, I should say,
2 personal or specific jurisdiction in this matter?

3 Then secondly, my understanding from the defendant's
4 opposition to the preliminary injunction as well as from the
5 motion to dismiss, there is a new can that is currently being
6 sold. Based on my understanding of the declaration
7 from Mr. --

8 I'm going to mispronounce his name. Mr. Portuando?

9 MR. WADYKA: Portuando.

10 THE COURT: Portuando.

11 Based on the declaration of Mr. Portuando, the old
12 can, for lack of a better term, is no longer out in service;
13 no longer being sold. This information was shared with the
14 plaintiff prior to this lawsuit being filed.

15 The complaint that was filed in this case does not
16 mention the new can. The initial preliminary injunction does
17 not mention a new can or design. It's brought up for the
18 first time by the defense, and then plaintiff for the first
19 time in their reply brief argues the new can also violates
20 their trademark. So I need an explanation as to why, first of
21 all, this new can is not mentioned previously; and, secondly,
22 how the Court can consider an argument brought up for the
23 first time by the plaintiff in their reply brief to justify a
24 preliminary injunction. Basically, is this issue moot or not
25 and whether the new can does violate that; and if so, how can

1 I address that now since it was not addressed initially in the
2 preliminary injunction or the complaint.

3 So those are the questions I have as well as the
4 distinctive trademark issues -- distinctive trade dress issue,
5 I should say, regarding plaintiff's argument, regarding the
6 colored and black background of the can as well as the
7 red stripe that goes from left to right in a diagonal angle
8 upwards with the white lettering, as well as --

9 The trademark itself, the palm tree with the word
10 "Palma" on it, is not an issue for the Court. It's really the
11 trade dress that's at issue here for the Court.

12 So those are the issues that I have that I'd like
13 the parties to address and in no particular order. You can
14 feel free to address them as you'd like.

15 This is the plaintiff's motion for preliminary
16 injunction. Obviously there's multiple elements the Court has
17 to find in order to issue that injunction. Finally, on that
18 issue -- the defense raised this in their opposition -- it's
19 not clear from the preliminary injunction exactly what the
20 plaintiffs are requesting the Court to enjoin. I'm assuming
21 that the plaintiffs are requesting the Court to enjoin the
22 trade dress or, I should say, the design of the can itself,
23 but it's not clear to the Court, because there was no explicit
24 request in the preliminary injunction.

25 With that said, I'll let the plaintiff begin with

1 their argument, and then we'll hear from the defense.

2 MS. BROWN: Thank you, Your Honor.

3 I can address the issues in the order that you
4 raised them. I'll just go along, and let me know if you have
5 any questions along the way.

6 So first addressing the personal jurisdiction
7 argument, you mentioned the principal place of business and
8 the licensing. I think that the argument for both defendants
9 is different. So for the -- I'll call them the
10 USA La Tropical defendants, I don't think there's any dispute
11 here that their records show that their principal place of
12 business is in California. That's what they registered as. I
13 understand that their position or their facts say that that
14 principal place of business is solely a holding company or for
15 holding land in Florida, but the general jurisdiction law
16 doesn't make a distinction there.

17 The point of personal jurisdiction is: Can someone
18 expect to be hailed to court in a foreign state? If a company
19 lists their personal place of business as California, I think
20 they can expect to be hailed here. Regardless of the purpose
21 of that principal place of business, they've listed it here.
22 They've listed -- their CEO and their officers and their
23 pertinent people, they've listed them as being in California.
24 So regardless of the reason that they did that, they did, and
25 we're relying on those records that they filed as a basis for

1 general jurisdiction.

2 THE COURT: Let me ask a question. Excuse me. Let
3 me interrupt you for a second, Ms. Brown. Sorry about that.

4 MS. BROWN: No problem.

5 THE COURT: My understanding from the defendant's
6 motion to dismiss is that the holding companies,
7 La Tropical USA and La Tropical Holdings B.V. -- and please
8 correct me if I'm wrong -- they're not even licensed companies
9 to operate in California. That's what the defendant's
10 position is. So if they're not licensed businesses to operate
11 in California, how can they then be expected to be brought
12 into court and just be subject to the jurisdiction of this
13 state?

14 MS. BROWN: Sure. And that's my understanding, as
15 well. Under the general jurisdiction law, under Dunlop, the
16 test is where their principal base of business is. I don't
17 think there's any dispute that that's what they have listed as
18 their place of business. Regardless, whether they're doing
19 business here or not, the general jurisdiction law provides
20 for general jurisdiction in that foreign state.

21 THE COURT: Okay.

22 MS. BROWN: Then I think the argument is different
23 for what we'll call the Netherlands-based La Tropical company.
24 You mentioned the licensing. It's again a question of whether
25 the company can expect to be hailed to court here. They have

1 licensed their mark. I don't think there's any dispute that
2 they're the owner of the mark. The declaration states that
3 they're in charge of labeling and brand decisions. They've
4 licensed those marks and those decisions to the USA-based
5 company and also La Bonita. That's shown in the declaration
6 that we've provided from the Florida case which also involved
7 this company. Again, if they are owning IP and licensing them
8 to companies that have their principal place of business in
9 California, they can expect to be hailed to this state.

10 Then my last point would be understanding, of
11 course, that general jurisdiction and specific jurisdiction
12 are different issues, the specific jurisdiction argument, of
13 course individualized targeting alone is simply not enough,
14 but the case law, such as Axiom, provides that individualized
15 targeting is relevant. There's no dispute here that plaintiff
16 is based in California; their principal place of business is
17 here. And our argument of targeting plus everything I just
18 mentioned is sufficient for personal jurisdiction.

19 THE COURT: Please explain that to me a little bit
20 more in terms of targeting. How has the targeting affected
21 the commerce in this state or the stream of commerce? Because
22 your complaint as well as the preliminary injunction says that
23 basically the activity that violates the trademark occurred in
24 the stream of commerce in this state. Later, both parties
25 admit that the Tropi Crystal beer is not sold in this state.

1 They don't even have a license to sell it in this state. It's
2 sold exclusively in Florida. So how does that mesh with the
3 argument that the product is put in the stream of business in
4 this district?

5 MS. BROWN: I don't think defendant's product is in
6 the stream of commerce in this business -- I'm sorry -- in
7 this state. The argument is that it is accepting --

8 THE COURT: That was listed in your complaint; that
9 it was. Your complaint lists that it was in the stream of
10 commerce in this state, in this district.

11 MS. BROWN: Then maybe that was clarified in their
12 subsequent declarations and filings.

13 THE COURT: I'm sorry for interrupting. You can
14 continue.

15 MS. BROWN: I'm sorry. I don't know if I fully
16 answered your question.

17 So the individualized targeting, targeting a
18 company, I haven't seen anything in their declaration or
19 response that they didn't know of Solutura before they started
20 their business. I understand the argument over the Cuban
21 company and the use of that, but they knew of Soltura -- at
22 least as far as I've seen, they knew of what they were doing,
23 and they knew where they were, and they designed this can to
24 be like Soltura's. You know, their argument is it's to be
25 like the Cuban can, but obviously our argument is that it's

1 Soltura who has the rights here in the United States. So
2 targeting a company who is based here and whose harm is felt
3 here is that individualized targeting.

4 THE COURT: All right.

5 MS. BROWN: Judge, may I move on to the second
6 issue, about the new can?

7 THE COURT: You can if you'd like.

8 MR. WADYKA: Sorry. I thought you also asked
9 plaintiff's counsel to address the venue issue, as well.

10 THE COURT: Yeah. I'm letting her choose whatever
11 order she wants to address the issues.

12 MR. WADYKA: Okay. Fair enough. Thank you.

13 THE COURT: Thank you.

14 Ms. Brown, whenever you're ready.

15 MS. BROWN: Okay. Sure. I'm sorry. I did not hear
16 the Court asking for venue, but I'm happy to address that if
17 you'd like.

18 THE COURT: Yes. I'd like you to address that
19 whenever you feel like it's appropriate for you to address.

20 MS. BROWN: Sure. I'll do that before I move on to
21 the more substantive --

22 I think the case law that's provided in our
23 opposition briefs shows that venue is appropriate where the
24 harm is felt. For example, *Sung v. Bussion* and
25 *Rhapsody v. Lester*. They show in a case where subject matter

1 jurisdiction is not based on diversity -- which here, it is
2 not -- it is proper in the location where the plaintiff felt
3 the injury, and that would be here.

4 THE COURT: Okay.

5 MS. BROWN: So I'll move on to the next issue of the
6 new can. Perhaps there is some confusion about the new can.
7 We did have settlement discussions with -- I thought it was
8 other prior counsel, but it was prior counsel, prior to
9 finalizing the complaint raising the issue of the similarity
10 of the cans and generally demanding a cease and desist. There
11 was discussion, and they were willing to change the can to
12 what is presented now in their opposition brief, but it's my
13 understanding --

14 And I've never heard that they had changed the can
15 or that they were going forward with those plans. It was more
16 of a suggestion and in terms of the settlement discussion.

17 AND then our response was, "Well, we find that too
18 similar. Let's talk about more changes." When they were
19 unwilling to do that, that's when we filed suit.

20 So until we saw this brief, I was unaware that they
21 had officially made that change. My understanding is it was
22 just part of the settlement discussion.

23 THE COURT: All right.

24 MS. BROWN: So, therefore, that's why the argument
25 is addressed for the first time here; because based on -- the

1 product that was in commerce at the time we filed the
2 complaint was the old can. It sounds like from the
3 declaration, the old can is being phased out or has been
4 phased out as of last month. So at the time we filed the
5 complaint, as far as I knew and the evidence that we had, it
6 was the old can, and the new can is more recent.

7 THE COURT: You agree, then, that since the old can
8 design is no longer being used, this matter is now moot for an
9 injunction?

10 MS. BROWN: Well, no, because the trade dress as
11 we've defined it in our complaint and in our injunction is the
12 same in both of the cans. It's the green base, the red
13 stripe, the white block text, the use of the Spanish phrase,
14 the palm tree in oval. All of those things are in the new
15 can, as well. So the injunction, which is requesting the
16 trade dress not be enjoined and the trademark not be enjoined,
17 those things are still present in the new can.

18 THE COURT: Thank you.

19 MS. BROWN: I will move on to the third argument of
20 the distinctive trade dress. Your Honor mentioned that this
21 was an issue. I will address this. If you have a more
22 specific question, let me know.

23 I understand that the defendant's position is there
24 are pieces of the trade dress that are present in other cans.
25 Of course, other cans are green; other cans have a red stripe.

1 What we're missing is trade dress as a whole. The case law
2 cited in our brief provides that trade dress, you don't pick
3 it apart and look at individual pieces. You look at it as a
4 whole. So certainly there are other cans that have a red
5 stripe, but do those other cans also have a green background?
6 Do they also have that palm tree and all the elements that
7 we've issued in our trade dress? Putting everything together,
8 that's what makes it distinct, and that's what the law
9 requires is looked at in analyzing this issue.

10 THE COURT: That's on the issue of whether the trade
11 dress is sufficiently distinctive, as a distinct trade dress?

12 MS. BROWN: Correct.

13 THE COURT: Thank you.

14 You can continue whenever you're ready.

15 MS. BROWN: And then the final argument, Your Honor,
16 raised was exactly what we are requesting the Court enjoin and
17 whether it's a design. The injunction is to enjoin a can that
18 is infringing on the trade dress or infringing on the
19 trademark of Soltura. As mentioned, we believe that the new
20 can is still doing that, and so generally that is what the
21 injunction is asking for.

22 THE COURT: Thank you.

23 Is there anything else you'd like to address?

24 MS. BROWN: I believe those are all the Court's
25 questions. So that's all I have for now, and I'll respond to

1 anything else.

2 THE COURT: All right. Thank you.

3 Whenever you're ready.

4 MR. WADYKA: Good morning, Your Honor.

5 Steven Wadyka, Greenberg Traurig, on behalf of
6 defendants. I'm here with my colleague, Molly Littman.

7 We have some demonstratives that we brought to
8 illustrates certain points for the Court. We have an enlarged
9 foam board, and also we have 8.5x11 copies that we can hand to
10 your courtroom deputy for you to look at.

11 I was wondering if we could request that we set that
12 easel up in the well of the court so the Court could more
13 easily view the demonstratives.

14 THE COURT: Let me ask a question. Has Ms. Brown
15 already seen these items?

16 MR. WADYKA: No. Not yet.

17 Actually, we were expecting plaintiff's counsel to
18 be here in person, so we brought copies for
19 plaintiff's counsel.

20 THE COURT: She's calling in and doesn't have access
21 to the visual to see them.

22 MS. Brown, do you have access to e-mail currently?

23 MS. BROWN: Yes, I do.

24 THE COURT: If possible, can you e-mail them to
25 Ms. Brown? Because I just want to make sure she's seeing the

1 same items the Court gets to see, as well.

2 MR. WADYKA: Absolutely. We can do that. Yeah.

3 THE COURT: Let's just take a moment so you can do
4 that. After that's done and she has access to them --

5 You can set it up now if you like, but we'll wait to
6 actually view them until she has access to them.

7 MR. WADYKA: Okay. I beg the Court's indulgence.
8 We're having a little trouble getting online, but we'll attend
9 to this promptly.

10 THE COURT: Not a problem.

11 So, Ms. Brown, we're just waiting to get everything
12 situated so you can receive a copy of these documents before
13 the Court gets an opportunity to view them.

14 MS. BROWN: Okay. Thank you.

15 MS. LITTMAN: It should have just sent.

16 THE COURT: Ms. Brown, let us know when you receive
17 the e-mail.

18 MS. BROWN: Okay.

19 Okay. I just received it, and I will open it up.

20 Okay. I'm ready.

21 THE COURT: All right. Thank you.

22 And thank you for assisting with that, as well.

23 Mr. Wadyka, whenever you're ready.

24 MR. WADYKA: Thank you, Your Honor.

25 So first, focusing on the issue of principal place

1 of business for general jurisdiction in California, the test
2 is whether the defendant is at home in California to be
3 subject to general jurisdiction in this state. General
4 jurisdiction requires that the out-of-state defendant's
5 contacts be so continuous and systemic as to render it
6 essentially at home in the foreign state or in the forum state
7 rather. It is an exacting standard.

8 Now, here with respect to Defendants
9 Cerveceria La Tropical USA, LLC, plaintiff argues that the
10 corporate records for that company show a principal address in
11 Petaluma, California, and that this is determinative of
12 La Tropical USA's principal place of business and the end of
13 the issue. The case law, however, holds otherwise.

14 In C&C Properties cited in our opening brief, the
15 Ninth Circuit followed the nerve center test for determining
16 an entity's principal place of business established by the
17 U.S. Supreme Court in *Hertz Corp. v. Friend*, and
18 C&C Properties is cited in our opening brief.

19 Under this test, a corporation's principal place of
20 business refers to the place where a corporation's officers
21 direct, control, and coordinate the corporation's activities.
22 In other words, a court should look to the location of the
23 corporation's nerve center, namely, "the place where the
24 corporation maintains its headquarters, provided that the
25 headquarters is the actual center of the direction, control,

1 and coordination and not simply an office where the
2 corporation holds board meetings, for example, attended by
3 directors and officers who have traveled there for the
4 occasion."

5 So another case that we cited, this one in our reply
6 brief is the A-V Fluids case, which we think is on point with
7 the situation here. There, the defendant, a company called
8 Jana Media, LLC, contended its principal place of business was
9 in Wyoming because its articles of incorporation listed its
10 principal office address in Cheyenne, Wyoming. According to
11 defendant in that case, that was the beginning and end of the
12 issue as to where its principal place of business was, but the
13 court in A-V Fluids disagreed. It applied the Hertz nerve
14 center TEST and found that the day-to-day operations of the
15 LLC were conducted from the residence of one of the members of
16 the LLC in Austin, Texas, and that this member had
17 substantial, if not exclusive, control over the affairs of the
18 LLC.

19 The Court thus held that the Austin, Texas, address
20 was the LLC's principal place of business because that was the
21 place with the actual direction, control, and coordination of
22 the LLC.

23 Now, here, Mr. Portuando, in his reply declaration
24 in support of our motion to dismiss, attests that La Tropical
25 USA is a real estate holding company that owns the land in

1 Miami, Florida, where the La Tropical brewery sits and that
2 all decisions relating to the activities of that LLC are made
3 by him in Miami.

4 So applying the nerve center test as established in
5 Hertz, the principal place of business of La Tropical USA is
6 Miami, as that is the place where the actual direction,
7 control, and coordination of the activities for that entity
8 occur. Mr. Portuando, according to his declaration, as he
9 attests, exercises exclusive control over that entity.

10 So, secondly, with respect to specific jurisdiction
11 in a case involving trademark infringement such as we have
12 here, this circuit applies the purposeful availment test; in
13 other words, whether the defendant purposely availed itself of
14 the --

15 I'm sorry. No. Let me --

16 I misspoke, Your Honor.

17 This circuit applies the purposeful direction test,
18 not the purposeful availment test.

19 The purposeful direction test derives from the
20 U.S. Supreme Court's decision in *Calder v. Jones*. Under that
21 effects test, a defendant purposely directs his activity
22 toward the forum when the defendant has, one, committed an
23 intentional act; two, expressly aimed at the foreign state;
24 and, three, causing harm that the defendant knows is likely to
25 be suffered in the forum state.

1 So as to this express aiming prong, the second prong
2 of the effects test, plaintiff relies heavily in their
3 opposition brief on the Ninth Circuit's decision in
4 Washington Shoe. That decision, however, was expressly
5 overruled by the Ninth Circuit's decision in Axiom Foods,
6 which in turn followed the Supreme Court's decision in Walden.

7 Plaintiff relies on Washington Shoe and other
8 pre-Walden cases for the proposition that personal
9 jurisdiction is proper in a plaintiff's home forum when a
10 defendant intentionally infringes on a plaintiff's
11 intellectual property rights knowing the plaintiff is located
12 in the forum state, a concept known as individualized
13 targeting, but the Supreme Court in Walden rejected the
14 individualized targeting test. A unanimous court in that case
15 held that this test "impermissibly allows a plaintiff's
16 contact with the defendant and forum to drive the
17 jurisdictional analysis."

18 Just two months ago, Judge Ruth Bermudez Montenegro
19 of this district recognized that the individual -- I'm
20 sorry -- she recognized in Nifty Quarter, which we cite in our
21 opening brief, that the individualized target test is no
22 longer sufficient to establish personal jurisdiction in the
23 wake of Walden and Axiom Foods. As Judge Montenegro held in
24 Nifty Quarter, a plaintiff cannot rely only on its residence
25 in California and allegations that defendants infringed the

1 marks knowing plaintiff was a California resident.

2 "Defendant's contacts" -- and she emphasized those
3 two words in her opinion -- "with California, not the
4 plaintiff's residence here, must determine specific
5 jurisdiction."

6 And then she went on to state as follows:

7 "After Walden and Axiom Food, this court cannot conclude that
8 defendant expressly aimed its conduct at California just
9 because it knew plaintiffs resided there when it infringed
10 their trademark." Then she found that the defendant's conduct
11 did not connect them to California as required by Walden.

12 Now, as was the case in Nifty Quarter and as is the
13 case here, Nifty Quarter did not allege that defendant was
14 providing services to anyone in California, marketing to
15 California, or selling any products in California. The only
16 connection between defendants and California were based
17 entirely on the plaintiff's residence here. This included a
18 cease-and-desist letter that the plaintiffs sent to defendant
19 and defendant's responses to those cease-and-desist letters,
20 but Judge Montenegro held that "These minimal communications
21 related to allegations of infringement only connect defendants
22 to plaintiff. They have nothing to do with California. This
23 is not sufficient."

24 Then she went on to find that because the plaintiff
25 had not established the second prong, the purposeful direction

1 test, the Court need not address the third prong, and then she
2 dismissed or granted the defendant's motion to dismiss for
3 lack of personal jurisdiction.

4 Now, here in this case, plaintiff's sole allegations
5 regarding express aiming are that it resides in California and
6 that defendants intentionally infringed plaintiff's trademark
7 and trade dress knowing plaintiff would be harmed in
8 California, but as Judge Montenegro held in *Nifty Quarter*,
9 such allegations are not sufficient to establish express
10 aiming under the now controlling precedent established by
11 *Walden in Axiom Foods*.

12 Moving on to the next point regarding venue, as we
13 pointed out in our opening brief in support of our motion, the
14 U.S. Supreme Court in the case of *Leroy v. Great W. United*
15 *Corp.* recognized that the purpose of the venue statute is to
16 protect the defendant against the risk that the plaintiff will
17 select an unfair or inconvenient forum or place for trial.

18 As the court in this district held in *Duck Dive*,
19 also cited in our papers, "The current statutory language
20 still favors the defendant in a venue dispute by requiring
21 that the events or omissions supporting the claim be
22 substantial and is intended to preserve the element of
23 fairness so that a defendant is not haled into a remote
24 district having no real relationship to the dispute." But
25 that's exactly what happened here.

1 I think the Court should be guided in this case by
2 another decision from this district, this one by
3 Judge Schopler in the Glovebox case, which we cite in our
4 papers. In that case, the Court found that none of the
5 actions giving rise to the plaintiff's claims occurred in the
6 Southern District of California, and he stated that the
7 plaintiff offered no colorable justification for filing in
8 this district, instead relying on contacts with a completely
9 different judicial district, and that the plaintiff avoided
10 filing in the proper district in preference for a district
11 that clearly lacks venue. In that case, as is the case here,
12 the plaintiff resided here as well as its counsel and they
13 decided to file the suit here, even though none of the
14 operative actions giving rise to the claims occurred. So in
15 that case, Judge Schopler held that the one thing that is
16 clear on the record before this court is that this case
17 doesn't and never did belong here."

18 Here, based on plaintiff's own complaint, plaintiff
19 could have easily ascertained the proper venue for this
20 action, because they included a link to the Beer Finder page
21 on the La Tropical website that shows -- it lists every
22 retailer where La Tropical beer is sold, and it's all in the
23 greater Miami area and elsewhere in south Florida. So they
24 could have filed this case in the proper venue in the first
25 instance in the Southern District of Florida.

1 In light of that, Judge Schopler in Glovebox decided
2 under § 1406(a) that in these circumstances, since the
3 plaintiff could have filed in the first instance in the proper
4 venue, that he would dismiss rather than transfer the case for
5 improper venue.

6 Moving on to the issue of the new can if we may,
7 Your Honor, we would like to display our first demonstrative,
8 which is Demonstrative No. 1.

9 THE COURT: Thank you.

10 MR. WADYKA: Your Honor, may I approach the easel?

11 THE COURT: Absolutely.

12 MR. WADYKA: So we have here, for the record, a
13 Demonstrative No. 1, two images: one, of the plaintiff's
14 Cerveza Palma beer, and one image of the new can for
15 defendant's Tropi Crystal.

16 Now, you can see that, unlike the original beer
17 that's depicted in the plaintiff's motion for preliminary
18 injunction, the new can applies this kind of striated coloring
19 or striping which produces an overall impression that the can
20 is predominantly white, and the area to the bottom of the can
21 is a lighter shade of green than appears on the Palma can.

22 Significantly, what was added to the new can was the
23 La Tropical house mark, which is the identifier of the origin
24 of all beers that my client sells. They sell more than
25 Trop Cristal, and every one of those beers bears the

1 La Tropical house mark.

2 The palm tree design, which I'll just mention
3 parenthetically -- and I think this was mentioned in our
4 papers -- the copyright to that is owned by my client, and the
5 actual creation of that palm tree design predates by many
6 years the first sale of Palma beer.

7 But that aside, that palm tree design has now been
8 moved to the back of the can, so it's no longer visible when a
9 consumer is shopping a store and sees the forward-facing
10 Tropi Crystal can.

11 MS. BROWN: I'm sorry. I'm sorry. I'm sorry,
12 Counsel. You cut out there.

13 Is it possible for you to step closer to the
14 microphone just to make sure I can hear everything you're
15 saying?

16 THE COURT: I could not understand it. I'm sorry.

17 Let's try to get you closer to a microphone so she
18 can hear you. So you can just turn that one around.

19 There we go.

20 MR. WADYKA: How about this? Can you hear me now?

21 MS. BROWN: Okay. Yes. Thank you.

22 MR. WADYKA: So as I was saying, so the addition of
23 the house mark is a significant addition as well as the moving
24 of the palm tree design to the back of the can.

25 So in light of these changes -- and this was a

1 change that my client had decided to move forward with before
2 the litigation was filed -- we submit to the Court that this
3 produces a significant change from the original trade dress or
4 the old can that was the subject of both the complaint and the
5 preliminary injunction motion filed by Soltura. In fact, in
6 their reply brief, even though they acknowledged that there is
7 a new can, they make no argument as to why this new can is, in
8 their view, infringing. There's, I think -- I believe a
9 statement in that section of the brief that says, well, the
10 new can is infringing, too, but they don't say why. So we're
11 at a loss as to why this is infringing at all in light of the
12 changes that were made. So I think that's all I have to say
13 about the new can.

14 And, yes, Your Honor, to follow up on a comment you
15 made when plaintiff's counsel was speaking, in light of this
16 change, we do consider and we believe that the motion for
17 preliminary injunction is moot since it's based on a can
18 that's no longer in the marketplace. Mr. Portuando in his
19 declaration in opposition to the preliminary injunction motion
20 confirmed that the new can has completely replaced the old can
21 in the marketplace in terms of inventory; actual product on
22 store shelves; and all advertising, at point of sale, at
23 bus stops, on the sides of buses, billboards, what have you.
24 All of that has moved to the new can.

25 Next, on the distinctiveness of the trade dress, if

1 we could have Demonstrative No. 3, please --

2 Before I address the demonstrative that's on the
3 easel in the courtroom, just a few comments on what the law
4 requires for proving inherent distinctiveness of a
5 trade dress. As we point out in our opposition paper to the
6 preliminary injunction motion, a trade dress is not inherently
7 distinctive if it is a common basic shape or design, is not
8 unique or unusual, or is a mere refinement of a commonly
9 adopted and well-known form of ornamentation for a particular
10 class of goods which consumers view as mere ornamentation. So
11 that's the test for determining whether or not plaintiff's
12 claimed trade dress meets the requirements for inherent
13 distinctiveness.

14 I'm going to approach the easel here for a minute,
15 and I can point out what plaintiff's claiming is their
16 trade dress: the red diagonal stripe, moving upwards from
17 left to right, white offset lettering in that red diagonal, a
18 palm tree, the color green, a Spanish slogan.

19 If you take a look at what's here, these are
20 commonly used design elements for competing brands of beer,
21 many of which are also beers that target the Spanish-speaking
22 market, as does Palma. In particular, you see this right
23 here -- I'll draw it to the Court's attention --
24 Cristal Malta. This, as Mr. Portuando discussed in his
25 declaration, was a product that a member of the Blanco-Herrera

1 family from Cuba, that had to flee after their brewery was
2 confiscated by the Castro government, they introduced this in
3 the United States. So they were very early on displaying
4 "Cristal" in this red diagonal stripe with the palm tree logo
5 right on the front of the label.

6 Then you have other more well-known beers, like for
7 instance, Red Stripe is very recognizable for its red stripe,
8 which you see prominently there.

9 So when you're looking at what they're claiming, the
10 plaintiff, as their trade dress and why it's distinctive, you
11 see that they're really just taking design elements that have
12 been out there in this market for a while, combining them
13 together, but it's done so in such a way that it's under the
14 case law a mere refinement to what's already been out there,
15 and people see these as just ornamental designs; not something
16 that is really an identifier of a source.

17 So it's our position that on the issue of inherent
18 distinctiveness, this doesn't get to the issue of acquired
19 distinctiveness under secondary meaning, which we don't think
20 they can show either, as we argued in our opposition. The
21 crowded field of beers having similar design elements cuts
22 against any claim that they have that this is an inherently
23 distinct trade dress.

24 Then, finally, on the scope of the injunction, I
25 would just reiterate our positions that we set forth in our

1 opposition to the motion for preliminary injunction; that the
2 injunction they're seeking is impermissibly vague and in
3 violation of Rule 65.

4 THE COURT: Thank you.

5 Ms. Brown?

6 MS. BROWN: Thank you, Your Honor.

7 I'll respond briefly first to the personal
8 jurisdiction argument. Acknowledging counsel's case law that
9 they provided in the their reply about the nerve center test,
10 it seems to me that we're mixing tests here. The nerve center
11 test, of course, it seeks to analyze where a corporation is
12 domiciled for purposes of diversity jurisdiction, for purposes
13 of citizenship. So the nerve center test is where a
14 corporation is a citizen or where they're domiciled for
15 diversity jurisdiction, and that's different from where a
16 corporation can expect to be hailed.

17 It sounds like counsel is saying although his client
18 lists their principal place of business in California and
19 lists their directors and officers there, it would be unfair
20 to bring them to this court because their nerve center is not
21 here. Again, as mentioned, the point of personal jurisdiction
22 is fairness; it's where a company can expect to be hailed.
23 So, therefore, I believe that's the distinguishing fact here
24 between the nerve center/diversity jurisdiction case law filed
25 and the personal jurisdiction case law here.

1 I believe I already addressed the Axiom test and the
2 individualized targeting. While individualized targeting
3 alone is not enough, under Axiom, it is relevant; therefore,
4 that's why it's raised. It's not sufficient alone, but that
5 combined with the principal place of business, with the
6 licensing and everything mentioned previously, it is enough
7 for personal jurisdiction.

8 I don't have anything further on the new can.
9 Counsel says he doesn't think that he believes we've mentioned
10 why it's infringing. I addressed that in my opening points.
11 It is still similar enough and it still covers all of the
12 points of the trade dress raised in our complaint.

13 Finally, as to the distinctiveness argument, looking
14 here at Demonstrative 3, I don't believe that some of these
15 were in the brief, so I'll address them here.

16 It appears to me that many of these beers in
17 Demonstrative 3 are not U.S. beers, although I don't know and
18 I'd have to get further information on them. I don't know of
19 anything that says because beers around the world do
20 red stripes means that Soltura could not have trade dress
21 rights in the United States for being the first to use
22 red stripes along with the other points of the trade dress
23 that we've mentioned. Certainly while some of these beers
24 have the same features as the La Palma beer, again looking at
25 it as a whole, in looking at it in terms of rights here in the

1 U.S., that doesn't negate the distinctiveness of La Palma
2 beer.

3 Thank you.

4 THE COURT: Thank you, Ms. Brown.

5 MR. WADYKA: Your Honor, may I make a couple more
6 points?

7 THE COURT: Yes.

8 MR. WADYKA: Thank you.

9 First of all, Your Honor, on the issue of improper
10 venue, I should have pointed out in my initial comments to
11 directly address a point made by plaintiff's counsel where she
12 said that they cited case law in their opposition to the
13 motion to dismiss, that if a plaintiff has felt the harm in
14 the venue, that that's sufficient for purposes of establishing
15 venue. That quite simply is not the law. As the Court held
16 in Jamba Juice, as we cite in our papers, any alleged harm
17 suffered by the plaintiffs in its chosen venue does not make
18 the venue proper, as to do so would be contrary to Congress's
19 intent in enacting the venue statute.

20 And to quote Jamba Juice, if Congress had wanted to
21 lay venue where the plaintiff was residing when he was
22 injured, it could have said so expressly. Congress did not
23 include that in the venue statute, and so the court in
24 Jamba Juice and this court as well as others that we cited in
25 our brief have recognized that the location of the plaintiff

1 and its claim of harm in the venue does not make venue proper
2 where none of the acts giving rise to the claims occurred in
3 the venue where plaintiff filed suit.

4 Then, secondly, on the issue of the principal place
5 of business of the Florida LLC, as Your Honor pointed out
6 earlier, this is a holding company for owning real estate in
7 Miami where the brewery is built. I would just reiterate some
8 case law that we cited in our briefing that says that a
9 holding company is not normal; it engages in little activities
10 so there is little to direct, control, or coordinate. Its
11 purpose in holding interest in other companies is passive.

12 There, the Ninth Circuit -- this is in the Horn
13 case -- said that the assumption that a holding company's
14 principal place of business is in the state where its officers
15 reside is problematic.

16 So here we have these corporate records that show a
17 principal address for the Florida LLC in Petaluma, California.
18 It shows an address for Mr. Portuando at that same address in
19 Petaluma, California, but he's attested in his declaration in
20 support of our reply that he has lived permanently in Florida
21 for the past 27 years and that all of the affairs are directed
22 exclusively by him from the Miami address. So under the nerve
23 center test and the cases we cited, the actual activities of
24 the business and the direction, coordination, and control of
25 the business are determinative and not what a corporate record

1 says that shows an address in a particular state, and that's
2 exactly what the case was in the AV-Fluids case that I
3 discussed earlier.

4 Thank you, Your Honor.

5 THE COURT: Let me ask a quick question about the
6 trade dress infringement claim. You've talked about the
7 design is not inherently distinctive. You brought the
8 demonstrative in number 3 to reflect that.

9 Ms. Brown raises a good point regarding whether
10 beers sold outside of this country can be -- should even be
11 considered by the Court to address whether the trademark is
12 distinctive or not. I'm not wearing my glasses, so I can't
13 see all the beers there. I can see several of them. I know
14 you talked about the Cristal beer, which is the bottom beer,
15 third from the left, which you said is the original beer, the
16 predecessor -- so that was the Cristal beer from Cuba -- and
17 Red Stripe, which is sold in this country. I think the Court
18 can take judicial notice of that.

19 Other than those two, why should the Court consider
20 any other ones if the Court doesn't have any information on
21 the record that they're even sold in this country?

22 MR. WADYKA: Well, Your Honor, I think with regard
23 to -- just pointing them out here -- Padron, Narragansett,
24 Toña, Cordillera, I think we pointed out in our opposition
25 brief exactly -- we had identified those beers. I believe

1 Mr. Keegan, who conducted our consumer survey that showed no
2 likelihood of confusion, he discussed both the Cordillera and
3 Toña and Narragansett beers -- I'm sorry -- the Toña and
4 Cordillera beers that were part of this survey. So I believe
5 that there is some distribution of those beers, or at least if
6 there's not, they are known to individuals who are residents
7 of the United States who are exposed to these beers even if
8 they are only sold in another country. So this is -- it's
9 basically the perception that people have, having been exposed
10 to these various beers in the marketplace.

11 THE COURT: To supplement the record, as well, the
12 Court is looking at the opposition filed to the motion for
13 preliminary injunction. Several of these beers are listed on
14 page 14 of that opposition, as well, and a description is
15 given for each of the ones that are listed.

16 Thank you.

17 MR. WADYKA: All right. Correct. Correct.

18 THE COURT: Anything else?

19 MR. WADYKA: I believe that's it, Your Honor.

20 Thank you.

21 THE COURT: Thank you.

22 Ms. Brown, I know that Mr. Wadyka raised an issue
23 about venue that he had not initially raised. I want to at
24 least give you a chance to address that if you would like.
25 You don't need to if you don't think you need to, but I wanted

1 to give you an opportunity to if you would like to do so.

2 MS. BROWN: Thank you. I will address it briefly.

3 He cited the Jamba Juice case, which we did see that
4 in his brief. Jamba Juice itself is citing an Eighth Circuit
5 case law, and that is in contrast with the two cases we cited
6 in our opposition brief on pages 21 to 22, which simply holds
7 that the injuries here are not for venue. Understanding that
8 Jamba Juice may be different, but that cites Eighth Circuit
9 case law and also it's also older than the two cases we cited.

10 THE COURT: All right. Well, thank you all very
11 much. I appreciate the arguments and you addressing the
12 Court's concerns.

13 I'm going to take this matter under submission. I
14 will have a written order out as soon as I can to rule on
15 these issues.

16 I want to thank you all for your time today.

17 MR. WADYKA: Thank you, Your Honor.

18 THE COURT: Thank you.

19 Ms. Brown, thank you.

20 MS. BROWN: Thank you.

21 THE COURT: I hope everyone has a nice afternoon.

22 MR. WADYKA: Thank you.

23 THE COURT: Thank you.

24 (Proceedings concluded at 10:31 a.m.)

25 - - - -

CERTIFICATE

I, Tricia Rosate, RDR, CRR, FCRR, CSR No. 10891,
certify that the foregoing is a correct transcript from the
record of proceedings in the above-entitled matter.

/s/ Tricia Rosate, CSR No. 10891 Date: November 15, 2023
Registered Diplomat Reporter
Registered Merit Reporter
Federal Certified Realtime Reporter
Certified Realtime Reporter

EXHIBIT 4

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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

SOLTURA, LLC dba BUCANERO USA,

Plaintiff,

vs.

CERVECERÍA LA TROPICAL USA
LLC and LA TROPICAL HOLDINGS
B.V.,

Defendants.

Case No. 3:23-cv-01104-JES-KSC

**NOTICE OF PLAINTIFF
SOLTURA, LLC'S MOTION FOR
PRELIMINARY INJUNCTION**

Hearing Date: October 11, 2023
Hearing Time: 9:30 a.m.

District Judge: James E. Simmons, Jr.
Magistrate Judge: Karen S. Crawford

Complaint Filed: June 13, 2023

TO ALL PARTIES AND TO THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that on October 11, 2023 at 9:30 a.m., or as soon thereafter as the matter may be heard by the Court, in Courtroom 4B of the United States District Court for the Southern District of California, located at 221 West Broadway, San Diego, California 92101, Plaintiff Soltura, LLC ("Soltura") hereby moves for a preliminary injunction against Defendants Cerveceria La Tropical USA, LLC and La Tropical Holdings B.V. ("Defendants"), to protect Soltura's goodwill and reputation and to prevent a likelihood of consumer confusion in the marketplace.

The Motion is based on this Notice, the accompanying Memorandum of

Points and Authorities, the Declarations of Martin Wadley and Richard P. Sybert, the exhibits thereto, oral argument at the hearing in this matter, and all pleadings, papers, and documentary and other matter on file, deemed to be on file, or of which the Court may take judicial notice as of the time the Motion is heard.

Respectfully submitted,

Dated: August 28, 2023

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LLP

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9 UNITED STATES DISTRICT COURT
10 SOUTHERN DISTRICT OF CALIFORNIA

12 SOLTURA, LLC dba BUCANERO USA,
13 Plaintiff,
14 vs.
15 CERVECERÍA LA TROPICAL USA
16 LLC and LA TROPICAL HOLDINGS
17 B.V.,
18 Defendants.

Case No. 3:23-cv-01104-JES-KSC

**MEMORANDUM OF POINTS
AND AUTHORITIES IN
SUPPORT OF PLAINTIFF'S
MOTION FOR PRELIMINARY
INJUNCTION**

Hearing Date: October 11, 2023
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District Judge: James E. Simmons, Jr.
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Complaint Filed: June 13, 2023

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I. INTRODUCTION

Since January 2019, Plaintiff Soltura, LLC dba Bucanero USA (“Soltura”) has been marketing and selling Cerveza PALMA, a high quality beer (hereinafter “PALMA® beer”), throughout much of the United States. Plaintiff owns a federal registered word trademark, CERVEZA PALMA, and a federal registered design trademark (hereinafter “PALMA (PLUS DESIGN) mark”) for beer. PALMA® beer is widely recognized and sought after, especially in Florida.

Defendants Cerveceria La Tropical USA, LLC and La Tropical Holdings B.V. (“Defendants”) also brew and sell beer. Upon information and belief, Defendants are affiliates and/or subsidiaries of California-based Lagunitas Brewing Company and Dutch brewing conglomerate Heineken International. In an apparent attempt to quash their competition—namely, plaintiff Soltura—Defendants recently began selling a beer called TROPI CRYSTAL whose label and design are highly similar to that of PALMA® beer:



The La Tropical product began at the La Tropical brewery in Miami.¹ However, according to their www.cervecerialatropical.com website, Defendants distribute their product throughout Florida.² In fact—again according to their website—Defendants’ products are distributed or will be distributed at many of the same retail outlets where PALMA® beer is currently sold, including Total Wine & More, ABC Liquor, Publix, and Target.³

¹ See <https://www.brewbound.com/news/cubas-oldest-brewery-will-soon-be-miamis-youngest/>.

² See <https://www.cervecerialatropical.com/beer-finder/>.

³ See *id.*

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Soltura’s trademark and trade dress are protected by federal and common law. And Defendants’ sale of beer using packaging and design that is nearly identical to Soltura will irreparably injure Soltura’s goodwill and reputation. As set forth below, the public is likely to be confused that the parties’ goods and services are connected with one another. Further, as shown below, Soltura is entitled to preliminary injunctive relief because the balance of equities is in Soltura’s favor: Soltura has a protectable mark and trade dress, and TROPI CRYSTAL increases the likelihood of confusion. Defendants, powerful though they are under the umbrella of the self-proclaimed world’s “most international brewer” Heineken N.V.,⁴ should not be allowed to ignore and infringe Soltura’s trademark and trade dress rights. Further, the public has an interest and a right not to be deceived or confused. Therefore, pursuant to Federal Rule of Civil Procedure 65(a), Soltura requests the Court enter a preliminary injunction to protect Soltura’s goodwill and reputation and to prevent a likelihood of consumer confusion in the marketplace.

II. STATEMENT OF FACTS

A. Soltura and its Distinctive Design and Intellectual Property

Soltura is the originator and importer of Cerveza PALMA®, a high quality beer. (Wadley Decl. ¶ 2.)⁵ PALMA® beer is a refreshing, crisp Pilsner malt that is enjoyed across the country by those looking for a refreshing and tasty alcoholic beverage. (*Id.*) Soltura designed the product to be reminiscent of a Cuban beer called “Cerveza Cristal” that has never been sold in the United States. (*Id.* ¶ 3)

Soltura has obtained rights to the can design. Specifically, Soltura is the owner of a registered federal trademark for PALMA® beer and its distinctive

⁴ See <https://www.theheinekencompany.com/our-brands/our-global-brand-heineken>.

⁵ Because of the extraordinary nature of injunctive relief and the potential for irreparable injury if not granted, a district court determining whether to issue a preliminary injunction may consider evidence outside the normal rules of evidence. See *Johnson v. Couturier*, 572 F.3d 1067, 1083 (9th Cir. 2009) (finding that the district court did not abuse its discretion in relying on outside evidence, such as exhibits, affidavits, and declarations).

design: United States Trademark Registration No. 5,824,189, CERVEZA PALMA and Design (hereinafter “PALMA (PLUS DESIGN) mark”). (*Id.* at ¶ 5; *see also* ECF No. 1-2, Exh. A to Compl.)



Color is not claimed as a feature of the mark. (Ex. 1 to Wadley Decl.) Therefore, the design is protected regardless of color. *See* TMEP 807.07(a)(1). However, as set forth below, Defendants have deliberately mimicked the precise colors actually used by Soltura which greatly increases the likelihood of confusion.

Soltura has continuously and extensively marketed PALMA® beer products in the United States under the PALMA (PLUS DESIGN) mark since 2018. (Wadley Decl. ¶ 7.) The mark is apparent on all PALMA® beer products, as shown in the exemplar photographs below:



As a result, the mark has become closely associated with Soltura’s business and beer products. (*Id.* at ¶ 8.)

///

///

PALMA® beer is currently distributed widely in the United States, in California, Florida, Illinois, Maryland, Texas, and Wisconsin. (*Id.* at ¶ 9.) It is sold in liquor stores and supermarket chains, including, for example, Walmart, Target, Publix, ABC Liquor, Total Wine & More, BevMo, Northgate Markets, El Super Market, and Presidente Markets. (*Id.* at ¶ 10.) PALMA® beer is also marketed and sold in special in-store displays emphasizing the distinctive design, as shown here:



PALMA® beer enjoys a substantial demand and a unique appearance—recognizable as the style, work and trade dress of Soltura—that is visually appealing and distinctive from all other alcoholic beverages on the shelves of retailers. Specifically, the trade dress of the product consists of the overall look-and-feel resulting from the distinctive combination of the following non-functional features on all cans and the packaging of PALMA® beer: (a) a green background with a contrasting red stripe that runs diagonally upwards from left to right across the center of the product; (b) the name of the product in white text offset against the red stripe; (c) a white oval displaying a palm tree image; (d) a Spanish phrase featuring “La Preferida” (“the preferred one” or “the favorite”) as a slogan

///

(hereinafter, “PALMA® trade dress”).⁶ (*Id.* at ¶ 11.)

Soltura advertises PALMA® beer using signs, stickers, and sell-sheets in stores. (*Id.* at ¶ 15.) It also uses online digital advertising, social media, its website, billboards, and trucks to further promote the product. (*Id.*) All advertisements consistently contain the PALMA® trade dress and the PALMA (PLUS DESIGN) mark so that viewers will associate both with Soltura:



B. Defendants and their Wrongful Conduct

Defendants also brew and sell beer,⁷ one of their brands being a new beer introduced subsequent to Soltura’s PALMA®, called “Tropi Crystal,” shown here:⁸

⁶ The above images reflect Soltura’s prior packaging when Soltura used the phrase “La Preferida de Cuba.” Soltura has recently shortened the phrase on its cans and packaging to simply “La Preferida” instead. (Wadley Decl. ¶ 11.)

⁷ See <https://www.cerveceriatropical.com/beers/>.

⁸ Defendants have applied to register the word mark TROPI CRISTAL, Serial No. 97/096,704. However, it is the design, not the name, that is at issue in this lawsuit.

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Like PALMA® beer, “Tropi Crystal” beer comes in aluminum cans with, astonishingly, exactly the same distinctive design features as Soltura’s protected trade dress: (a) a green background with a contrasting red stripe that runs diagonally upwards from left to right across the center of the product; (b) the name of the product in white text offset against the red stripe; (c) a white oval displaying a palm tree image; and (d) a Spanish phrase as a slogan. These striking similarities are obviously not a coincidence. Just as PALMA® beer was inspired by the Cuban beer “Cerveza Cristal,” it is apparent that Defendants’ product is also intended to be reminiscent of that same Cuban beer. Defendants in fact market “Tropi Cristal” side-by-side with the Cuban beer:



Defendants claim they even have “permission” to use this design from the Cuban family associated with the Cuban product (now sold in Cuba apparently with the backing of the communist government there). However, neither the Cuban product nor the Cuban family have any rights in the United States because their

⁹ Source: @latropicalbeer Instagram page, at <https://www.instagram.com/p/CqnlYMSOICh/?hl=en>

1 product has never been sold here. (Wadley Decl. ¶ 4.) And, the fact is, Soltura “got
2 there first” and obtained a federal trademark registration for its design. Defendants
3 are currently selling their products in the marketplace, specifically, in Florida and, on
4 information and belief, through many of the same retailers as Soltura.

5 It matters not that Soltura’s design and marks may be reminiscent of an
6 earlier product in a foreign jurisdiction, namely Cuba. Unlike copyright or patent,
7 there is no requirement under federal trademark law that a trademark be “original.”
8 Rather, the registrant need simply be the first to use the mark in commerce. *See*
9 *Hana Financial, Inc. v. Hana Bank*, 135 S. Ct. 907, 909 (2015) (“Rights in a
10 trademark are determined by the date of the mark's first use in commerce. The
11 party who first uses a mark in commerce is said to have priority over other users.”).
12 In this case, that is Soltura.

13 III. LEGAL STANDARD

14 There are “two sets of criteria for preliminary injunctive relief.” *Save Our*
15 *Sonoran, Inc. v. Flowers*, 408 F.3d 1113, 1120 (9th Cir. 2005). Under the
16 “traditional” criteria, a plaintiff must show “(1) a strong likelihood of success on
17 the merits, (2) the possibility of irreparable injury to plaintiff if preliminary relief is
18 not granted, (3) a balance of hardships favoring the plaintiff, and (4) advancement
19 of the public interest (in certain cases).” *Johnson v. Cal. State Bd. of Accountancy*,
20 72 F.3d 1427, 1430 (9th Cir. 1995). Alternatively, a court may grant the injunction
21 if the plaintiff “demonstrates either a combination of probable success on the
22 merits and the possibility of irreparable injury or that serious questions are raised
23 and the balance of hardships tips sharply in his favor.” *Id.* “These two
24 formulations represent two points on a sliding scale in which the required degree of
25 irreparable harm increases as the probability of success decreases. They are not
26 separate tests but rather outer reaches of a single continuum.” *Baby Tam & Co. v.*
27 *City of Las Vegas*, 154 F.3d 1097, 1100 (9th Cir. 1998). In other words, these two

1 tests represent a continuum in which the required showing of irreparable harm
2 varies inversely with the probability of success. *LGS Architects, Inc. v. Concordia*
3 *Homes*, 434 F. 3d 1150, 1155 (9th Cir. 2006).

4 In the context of the Lanham Act, a court has the “power to grant
5 injunctions, according to the principles of equity and upon such terms as the court
6 may deem reasonable, to prevent the violation of any right of the registrant of a
7 mark registered in the Patent and Trademark Office or to prevent a violation under
8 subsection (a), (c), or (d) of section 1125 of this title.” 15 U.S.C. §1116.

9 IV. ARGUMENT

10 Soltura’s Complaint seeks relief for: (1) Trademark Infringement; (2) False
11 Designation of Origin; (3) Trade Dress Infringement; and (4) California Unfair
12 Competition. (*See* ECF No. 1.) Soltura can establish that it is entitled to
13 preliminary injunctive relief because: (1) there is a strong likelihood that Soltura
14 will succeed on the merits of its claims; (2) Soltura is and continues to suffer
15 irreparable harm; (3) the balance of hardships tips decidedly in Soltura’s favor; and
16 (4) the requested injunction is in the public interest.

17 A. Soltura Has a Strong Likelihood of Success On the Merits

18 1. Trademark and Trade Dress Infringement Claims

19 To prevail on its trademark claims under 15 U.S.C. §1114 and its trade dress
20 infringement claims under 15 U.S.C. § 1125(a), Soltura must show that: (1) its
21 trademark and trade dress are protectable; and (2) Defendants’ use of the same or
22 similar trademark and trade dress is likely to cause confusion. *See KP Permanent*
23 *Make-Up, Inc. v. Lasting Impression, Inc.*, 543 U.S. 111, 117 (2004) (trademark
24 infringement); *Fuddruckers, Inc. v. Doc’s B.R. Others, Inc.*, 826 F.2d 837, 841 (9th
25 Cir. 1987) (trade dress infringement). Soltura can do both.

26 a. Soltura’s Trademark and Trade Dress Are Protectable

27 Trademark: The CERVEZA PALMA® mark is registered, thus entitling

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1 Soltura to a “strong presumption” that the mark is protectable. *Zobmondo Ent.,*
2 *LLC v. Falls Media, LLC*, 602 F.3d 1108, 1113–14 (9th Cir. 2010).

3 **Trade dress:** “Trade dress refers generally to the total image, design, and
4 appearance of a product and may include features such as size, shape, color, color
5 combinations, texture or graphics.” *Clicks Billiards, Inc. v. Sixshooters, Inc.*, 251
6 F.3d 1252, 1257 (9th Cir. 2001). To sustain a claim for trade dress infringement, a
7 plaintiff must prove: “(1) that its claimed dress is nonfunctional; (2) that its
8 claimed dress serves a source-identifying role either because it is inherently
9 distinctive or has acquired secondary meaning; and (3) that the defendant’s product
10 ... creates a likelihood of consumer confusion.” *Id.* at 1258.

11 Trade dress commonly falls into one of two main categories: product design
12 or product packaging. *See Kids’ Town at the Falls LLC v. City of Rexburg*, 570
13 F.Supp.3d 911, 923 (D.Idaho 2021); *see also Wal-Mart Stores, Inc. v. Samara*
14 *Bros., Inc.*, 529 U.S. 205, 209 (2000) (trade dress originally only included the
15 packaging of a product, “but in recent years has been expanded by many Courts of
16 Appeals to encompass the design of a product.”). Product design “typically relates
17 to the protected nature and design of an actual, physical product.” *Kids’ Town*, 570
18 F.Supp.3d at 923. “Product packaging also relates to a physical product, but
19 typically is not the product itself, but rather the “dressing” or manner in which the
20 product is presented to the public.” *Id.* “An example of a product design trade
21 dress would be a three-dimensional product purchased by the consumer,” whereas
22 product packaging trade dress “could be the labels, packaging, or design of that
23 same purchased product.” *Id.* (emphasis added).

24 Here, Soltura’s trade dress is product packaging, namely the can rather than
25 the beer itself. The distinction is important because a plaintiff need not prove
26 secondary meaning for product packaging; secondary meaning is presumed. *P &*
27 *P Imports LLC v. Johnson Enters., LLC*, 46 F.4th 953, 961 (9th Cir. 2022) (product

1 packaging can be inherently distinctive with no need to prove secondary
2 meaning); *Wal-Mart Stores, Inc. v. Samara Bros. Inc.*, 529 U.S. 205, 208–14
3 (2000) (If the trade dress is product packaging, distinctiveness can be either
4 “inherent” or acquired through secondary meaning).

5 *Globefill Inc. v. Elements Spirits, Inc.* is instructive. No. 210CV02034-
6 CBM-PLAX, 2012 WL 12876944, at *2 (C.D.Cal. Oct. 2012). There, plaintiff
7 sold vodka in a skull-shaped bottle. On remand, in analyzing whether the asserted
8 trade dress was product packaging or product design, the Central District held: “the
9 product being sold is vodka, not the bottle itself. The skull-shaped bottle is
10 therefore packaging, and the trade dress is not product design.” *Id.* (citing
11 *Globefill Inc. v. Elements Spirits, Inc.*, 473 F. App’x 685, 686 (9th Cir. 2012)).
12 Similarly here, the asserted trade dress of the product is the “packaging.” The
13 product is beer, but the uniquely-designed can and the color scheme and logo that
14 appear on that can of beer (*i.e.* the trade dress) is the packaging, and not the beer
15 itself.

16 The undisputed facts here meet all three parts of the *Clicks Billiards* test for
17 trade dress infringement:

18 Functionality: A product is functional if the overall trade dress is essential
19 to the product’s use or affects the cost or quality of the product. *First Brands*
20 *Corp. v. Fred Meyer, Inc.*, 809 F.2d 1378–79 (9th Cir. 1987). The Ninth Circuit
21 considers four factors in determining whether a product feature is functional: “(1)
22 whether the design yields a utilitarian advantage, (2) whether alternative designs
23 are available, (3) whether advertising touts the utilitarian advantages of the design,
24 (4) and whether the particular design results from a comparatively simple or
25 inexpensive method of manufacture.” *Disc Golf Ass’n. v. Champion Discs, Inc.*,
26 158 F.3d 1002, 1006 (9th Cir.1998).

27 Here, the design—meaning the logos and colors on the PALMA® beer

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can—is clearly non-functional. The design could have been in any color or any pattern, and that designed can will still hold beer, and the beer is the same, and therefore the design serves no utilitarian advantage. The logo on the PALMA® beer can is not essential to the use or purpose of the product, and the color combinations and style of the graphics and text have nothing to do with the use or purpose of the product and do not affect the quality of the product. *See Chrysler Corp. v. Vanzant*, 44 F.Supp.2d 1062, 1070 (C.D.Cal. 1999) (discussing functionality of a trade dress, the court stated that a “Coca-Cola bottle is an ideal example. The bottle is utilitarian in that it holds liquid, yet the fluting design on the outside of the bottle is non-functional in that it does not add to the utility of the bottle.”); *Guess?, Inc. v. Tres Hermanos*, 993 F.Supp. 1277, 1285 (C.D.Cal. 1997) (“The logos are non-functional, as the shape and placement of a label serves no function in jeans other than brand affiliation.”).

Inherently distinctive: The predominant test for inherent distinctiveness asks whether “(1) the design or shape is a common, basic shape or design; (2) it was unique or unusual in a particular field; and (3) it was a mere refinement of a commonly-adopted and well-known form of ornamentation for a particular class of goods which consumers view as mere ornamentation.” *Mattel, Inc. v. MGA Entm’t, Inc.*, 782 F.Supp.2d 911, 1004 (C.D.Cal. 2011). The court in *Globefill Inc.* found that the plaintiff’s trade dress was inherently distinctive because “it was the only skull-shaped bottle in the alcohol industry and is ‘of such an unusual design that a buyer will immediately rely on it to differentiate the source of the product.’” 2012 WL 12876944, at *3.

Here, similarly, the design on Sultura’s can is used only for identification purposes. Of course other beer cans may use the colors green, red, and white. However, on information and belief, until the late arrival of Defendants’ “Tropi Crystal”, PALMA® beer was the only beer using those colors together in the

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specific registered design at issue: a green background with a contrasting red stripe that runs diagonally upwards from left to right across the center of the product, with the name of the product in white text offset against the red stripe, along with a white oval displaying a palm tree image and Spanish phrase as a slogan. Due to this uniqueness, the PALMA® trade dress and PALMA (PLUS DESIGN) mark have become an identifier of the source of the product -- Soltura, thus becoming inherently distinctive.

Because Soltura's PALMA® trade dress is inherently distinctive, Soltura does not need to show secondary meaning, which is presumed. *P & P Imports LLC*, 46 F.4th at 961.¹⁰ Accordingly, Soltura's trademark and trade dress are protectable. And Defendants' accused use is likely to cause confusion.

b. Consumers are Likely to be Confused by Defendants' Use of Trademark and Trade Dress Highly Similar to Soltura's For the Same Type of Product.

In determining likelihood of confusion, the Ninth Circuit considers:

1. The strength of Plaintiff's trademark/trade dress;
2. The similarity between the Plaintiff's trademark/trade dress and the allegedly infringing trademark/trade dress;
3. Proximity of the goods;

¹⁰ In any event, Soltura's trade dress has acquired secondary meaning as an identifier of Soltura and its PALMA® beer. Secondary meaning can be established in a variety of ways, including "direct consumer testimony; survey evidence; exclusivity, manner, and length of use of mark; amount and manner of advertising; amount of sales and number of customers; established place in the market; and proof of intentional copying by the defendant." *Id.* (quoting *Art Attacks Ink, LLC v. MGA Ent., Inc.*, 581 F.3d 1138, 1145 (9th Cir. 2009)). For example, Soltura's trade dress has been used in extensive advertising in the marketplace. Specifically, PALMA® beer has been sold in liquor stores and supermarket chains across the country. (Wadley Decl. ¶¶ 9–10.) Soltura has extensively advertised PALMA® beer through signs, stickers, and sell-sheets in these stores. (*Id.* at ¶ 15.) Soltura also uses online digital advertising, social media, its website, billboards, and trucks to further promote the product. (*Id.*) All advertisements consistently contain the PALMA® trade dress so that viewers will associate the image of PALMA® beer with Soltura. (*Id.*) And until Defendants' recent introduction of Tropi Crystal to the market in 2023, Soltura was the only one to use this distinctive PALMA® trade dress. (*Id.* at ¶ 21; *see also Clamp Mfg. Co., Inc. v. Enco Mfg. Co., Inc.*, 870 F.2d 512, 517 (9th Cir. 1989) ("Evidence of use and advertising over a substantial period of time is enough to establish secondary meaning.")).

4. Marketing channels used;
5. Evidence of actual confusion;
6. Types of goods and degree of care to be exercised by purchasers;
7. Defendants' intent in selecting the trade dress; and
8. Likelihood of expansion of the product lines.

AMF, Inc. v. Sleekcraft Boats, 599 F. 2d 341, 348–39 (9th Cir. 1979). These factors are merely a guide for the Court to consider and are not exhaustive or exclusive. *Id.* at 348. The first three factors constitute part of the “controlling troika in the *Sleekcraft* analysis.” *GoTo.com, Inc. v. Walt Disney Co.*, 202 F.3d 1199, 1205 (9th Cir. 2000). These factors weigh heavily here in favor of a likelihood of confusion.

Strength of Soltura’s Trademark/Trade Dress Where, as here, the parties’ marks and goods are highly similar, the strength of Soltura’s mark is relatively unimportant. *Brookfield Commc’ns, Inc. v. W. Coast Ent. Corp.*, 174 F.3d 1036, 1058–59 (9th Cir. 1999). Nevertheless, “[t]he more likely a mark is to be remembered and associated in the public’s mind with the mark’s owner, the greater protection the mark is accorded by trademark laws.” *CytoSport, Inc. v. Vital Pharms., Inc.*, 617 F.Supp.2d 1051, 1070 (E.D.Cal.), *aff’d*, 348 F.App’x 288 (9th Cir. 2009). The strength of a mark is determined by its “conceptual strength” (how distinctive or unique the mark is) and its “commercial strength” (how well recognized the mark is in commerce). *Id.*

The conceptual strength of a mark can be classified “[f]rom weakest to strongest ... as generic, descriptive, suggestive, and arbitrary or fanciful.” *GoTo.com*, 202 F.3d at 1199. “An arbitrary mark is a common word that is non-descriptive of any quality of the goods or services.” *Entrepreneur Media, Inc. v. Smith*, 279 F.3d 1135, 1141 (9th Cir. 2002) (citation omitted).

Here, the conceptual strength of Soltura’s mark is arbitrary because it does not describe or suggest the nature or quality of Soltura’s beer. While of course the word “cerveza” means beer, the mark is much more than just “cerveza.” Instead,

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1 the PALMA (PLUS DESIGN) mark also uses the non-descriptive word “Palma” in
2 connection with a unique palm tree design (but again, doing nothing to describe or
3 suggest the nature of the beer; beer does not come from palm trees). As a whole,
4 this design does not describe the product. *See Brooklyn Brewery Corp. v. Black*
5 *Ops Brewing, Inc.*, 156 F.Supp.3d 1173, 1179 (E.D.Cal. 2016) (finding that
6 Plaintiff’s marks were arbitrary as “Plaintiff’s mark ‘Brooklyn Black Ops,’ taken
7 as a whole, does not describe or suggest a particular quality of Plaintiff’s beer”).
8 Thus, Soltura’s mark is conceptually strong.

9 Soltura’s mark is also commercially strong. “The more extensively
10 advertised and readily identifiable a mark and dress are in the relevant market, the
11 stronger the mark and dress.” *CytoSport*, 617 F.Supp.2d at 1071. Since 2018,
12 Soltura has sold over 900,000 cases (24 x12oz cans) of beer under the mark and
13 trade dress throughout parts of the United States, such as California, Florida,
14 Illinois, Maryland, Texas, and Wisconsin. (Wadley Decl. at ¶¶ 9, 14.) Soltura’s
15 PALMA® beer has been promoted for many years through Soltura’s website,
16 through Facebook, Twitter, and Instagram, and in stores and supermarket chains
17 such as Walmart, Target, Publix, ABC Liquor, Total Wine & More, BevMo,
18 Northgate Markets, El Super Market, and Presidente Markets. (*Id.* ¶ 10); *see*
19 *Cytosport*, 617 F.Supp.2d at 1070 (promotion through print and social media and at
20 events supported finding that mark is strong). Soltura also advertises through
21 signs, stickers, and sell-sheets in stores, while using online digital advertising, its
22 website, billboards, and trucks to further promote the product. (Wadley Decl. at ¶
23 15.)

24 Further, Soltura’s PALMA (PLUS DESIGN) mark is strong because, other
25 than Defendants (and just recently), there are no competitors or parties of whom
26 Soltura is aware in the United States who have trade dress or marks even remotely
27 similar to Soltura’s, much less virtually indistinguishable. (*Id.* at ¶ 21); *see*

CytoSport, 617 F.Supp.2d at 1071 (“[T]he less that third parties use the mark, the stronger it is, and the more protection it deserves.”)).

As for trade dress, as discussed above, Soltura’s trade dress is arbitrary and inherently distinctive because that trade dress and design are not descriptive of any quality of the actual product, beer. A palm tree in an oval design behind the words CERVEZA PALMA does not describe or have any natural connection to beer. Beer does not come from palm trees. The trade dress is therefore conceptually strong. *See id.* at 1070 n.3 (finding that “because there is no natural connection between the features of [plaintiff’s] trade dress and a protein supplement, [plaintiff’s] trade dress when used in connection with a protein supplement is arbitrary, and therefore, is conceptually strong”); *Nova Wines, Inc. v. Adler Fels Winery LLC*, 467 F.Supp.2d 965, 980 (N.D.Cal. 2006) (finding the use of Marilyn Monroe images on wine labels created a strong trade dress due to there being “no natural connection between Marilyn Monroe and wine”).

Because Soltura’s mark and trade dress are conceptually and commercially strong, this factor weighs in favor of a finding of likelihood of confusion.

Similarity of the Parties’ Trademark/Trade Dress A “critical question in the likelihood-of-confusion analysis” is the similarity of the marks at issue. *GoTo.com*, 202 F.3d at 1205. Similarity is tested on three levels: sight, sound, and meaning, where the court weighs similarities between the marks more heavily than their differences. *See Brooklyn Brewery*, 156 F.Supp.3d at 1180; *GoTo.com*, 202 F.3d at 1205. When, as here, a defendant is using similar or identical marks “with identical products or services, likelihood of confusion would follow as a matter of course.” *Stone Creek, Inc. v. Omnia Italian Design, Inc.*, 875 F.3d 426, 432 (9th Cir. 2017); *Brookfield Commc’ns*, 174 F.3d at 1056. “[C]ases involving identical marks on competitive goods are rare ... because liability is ‘open and shut.’” *Stone Creek, Inc.*, 875 F.3d at 432. This is one of those cases.

1 The parties' logos and designs here are highly similar. No survey is
2 necessary to show this. And this is not by accident. Both products are reminiscent
3 of the same product, the Cuban beer "Cerveza Cristal." In creating a product that is
4 meant to remind of the same Cuban beer as does Soltura's, Defendants have
5 adopted a trade dress almost exactly the same as Soltura's design and mark and
6 used it on an identical product—beer.¹¹ Comparing the parties' products leads to
7 the inescapable conclusion that the two are confusingly similar:



8
9
10
11
12 This incontrovertible evidence of the visual similarities of the two labels and
13 packaging is a factor which weighs heavily in favor of Soltura.

14
15 **Proximity of the Goods** "Related goods are those products which would
16 be reasonably thought by the buying public to come from the same source if sold
17 under the same mark." *Sleekcraft*, 599 F.2d at 348 n.10. "Where goods are related
18 or complementary, the danger of consumer confusion is heightened." *E & J Gallo*
19 *Winery v. Gallo Cattle Co.*, 967 F.2d 1280, 1291 (9th Cir. 1992).

20 Both Soltura's and Defendants products are marketed as reminiscent of
21 classic Cuban beer, both are sold in cans, and both are purchased by many of the
22 same consumers at the same retail locations. (See Wadley Decl. at ¶ 15);
23 *Sleekcraft*, 599 F.2d at 350 (less similarity between marks is required when goods
24 are sold to the same class of purchasers). As such, this *Sleekcraft* factor strongly
25 favors Soltura.

26
27 ¹¹ On information and belief, "Cerveza Cristal" has never been and/or is not marketed in the United States in any
28 commercially or otherwise significant way. The Cuban beer "Cerveza Cristal" enjoys no trademark or trade dress rights in
this country, thus Soltura's earlier use gives it priority. (Wadley Decl. at ¶ 4.)

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Marketing Channels Used Soltura and Defendants share the same channels of trade and distribution, easily satisfying *Sleekcraft*'s notation that "[c]onvergent marketing channels increase the likelihood of confusion." 599 F.2d at 353. It appears that both products are sold or will be sold at some of the same stores and liquor stores. (Wadley Decl. at ¶¶ 10, 19.) The brands also advertise and sell merchandise through their corresponding websites, market via the same social media channels (including Facebook, Twitter, and Instagram), and use similar in-store displays and brand packaging. (*Id.* at ¶¶ 15, 20.)

This overlap in marketing channels is more than sufficient to increase the risk and reality of consumer confusion. *See Anheuser-Busch, Inc. v. Customer Co.*, 947 F. Supp. 422, 425 (N.D.Cal. 1996) (convergent marketing channels favored injunction where plaintiff's beer was "distributed through a broad range of supermarkets, liquor stores and convenience stores."). Thus, this *Sleekcraft* factor weighs strongly in Soltura's favor.

Evidence of Actual Confusion Actual confusion is unnecessary to establish infringement since the test is likelihood of confusion. *See Brookfield*, 174 F.3d at 1050 ("[F]ailure to prove instances of actual confusion is not dispositive against a trademark plaintiff, because actual confusion is hard to prove[.]"); *see also Acad. of Motion Picture Arts & Scis. v. Creative House Promotions, Inc.*, 944 F.2d 1446, 1456 (9th Cir. 1991) ("[I]n this circuit, actual confusion is not necessary to a finding of likelihood of confusion under the Lanham Act.").

Further, actual confusion evidence is "rarely available at the preliminary injunction stage." *Electropix Inc. v. Liberty Livewire Corp.*, 178 F.Supp.2d 1125, 1132 (C.D.Cal. 2001). Soltura does not yet have evidence of actual confusion as Defendants have just recently commenced sales and their volume is relatively low. Thus, this factor is neutral in the likelihood of confusion analysis. *See Brookfield*,

1 174 F.3d at 1060 (affirming preliminary injunction despite lack of actual confusion
2 evidence).

3 **Types of Goods and Degree of Care Exercised By Purchasers** “[W]hen
4 dealing with inexpensive products, customers are likely to exercise less care, thus
5 making confusion more likely.” *Resource Lenders, Inc. v. Source Solutions, Inc.*,
6 404 F.Supp.2d 1232, 1245 (E.D.Cal. 2005). More specifically, when it comes to
7 alcoholic beverages, courts have held that consumers are likely to use a relatively
8 low degree of care when selecting products, thus increasing the likelihood of
9 confusion between related products using similar marks. *See Fleischmann*
10 *Distilling Corp. v. Maier Brewing Co.*, 314 F.2d 149, 159–60 (9th Cir. 1963) (the
11 average consumer purchasing beer “would probably not concern himself about any
12 such detail” such as who was “actually brewing and bottling” or “whether it was
13 being produced under their supervision or pursuant to some other arrangement.”);
14 *Anheuser-Busch, Inc.*, 947 F.Supp. at 425 (“[B]ecause beer is a relatively
15 inexpensive product, consumers are not likely to use great care in selecting beer”);
16 *Guinness United Distillers & Vintners B. V. v. Anheuser-Busch, Inc.*, 2002 WL
17 1543817, at *6 (S.D.N.Y. July 12, 2002) (finding that beer and Scotch constitute
18 “relatively low cost products, and the average consumer is not likely to seek to
19 identify the true manufacturer of these products.”).

20 The goods here retail for under \$12.00 for a six-pack (6 x 12oz) and under
21 \$22.00 for a twelve-pack (12 x 12oz). (Wadley Decl. at ¶ 16.) Due to these goods
22 being an inexpensive product, consumers are likely not to use a great deal of care
23 in selecting beer, thus increasing the likelihood of confusion between Soltura’s and
24 Defendants’ products. Thus, this factor weighs heavily in favor of finding a
25 likelihood of confusion.

26 **Defendants’ Intent in Selecting the Trade Dress** Proof of Defendants’ bad
27 faith use of the mark is unnecessary to win a preliminary injunction. *Synergistic*

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1 *Int'l Inc. v. Windshield Dr., Inc.*, No. CV 03-579 FMC CWX, 2003 WL 21468568,
2 at *7 (C.D.Cal. Apr. 28, 2003) (granting a preliminary injunction despite no
3 evidence of intent to confuse). And “absence of malice is no defense to trademark
4 infringement,” *Dreamwerks Prod. Grp., Inc. v. SKG Studio*, 142 F.3d 1127, 1132
5 n.12 (9th Cir. 1998), because “[t]he lack of intent by a defendant is largely
6 irrelevant in determining if consumers likely will be confused as to source.”
7 *Brookfield*, 174 F.3d at 1059. Therefore, this factor is “irrelevant to the Court’s
8 conclusion.” *Synergistic*, 2003 WL 21468568 at *7.¹²

9 **Likelihood of Expansion of the Product Lines** Finally, the expansion of
10 business by a party to compete with the other weighs in favor of finding
11 infringement. *Sleekcraft*, 599 F.2d at 354. Here, the parties already compete
12 directly in the same channels and markets. Because the parties’ product lines
13 already overlap, there is no need to consider the potential for “expansion.” See
14 *GoTo.com*, 202 F.3d at 1209 (“Because [defendant] and [plaintiff] compete with
15 one another [...] we decline to evaluate the issue of whether there is a likelihood of
16 expansion of their product lines.”); *Brookfield*, 174 F.3d at 1060 (“The likelihood
17 of expansion in product lines factor is relatively unimportant where two companies
18 already compete to a significant extent.”).

19 **Summary of Sleekcraft Factors** In sum, analysis under the *Sleekcraft* test
20 shows that confusion is likely and thus weighs in favor of granting a preliminary
21 injunction.

22 **2. Likelihood of Success on Unfair Competition and False**
23 **Designation of Origin Claims**

24 Soltura’s unfair competition and false designation of origin claims largely
25 overlap with the analysis above regarding the Lanham Act’s consumer confusion

26 ///

27 ¹² At the very least, Defendants were certainly aware of Soltura’s long and substantial prior presence in the U.S.
marketplace after Soltura raised it in cease and desist letter on April 4, 2023. (See Sybert Decl. at ¶ 2.)

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test. *See Cleary v. News Corp.*, 30 F.3d 1255, 1262–63 (9th Cir. 1994) (finding that California Business and Professions Code Section 17200 claims are substantially congruent with Lanham Act); *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 780 (1992) (finding that likelihood of confusion test is applied to false designation of origin claims). Since Soltura can and has established the merits of its trademark and trade dress infringement claims above, it has also established a likelihood of success is also shown for its claims for unfair competition and false designation of origin under 15 U.S.C. § 1125(a); Cal. Bus. & Profs Code § 17200 *et seq.*

B. Absent a Preliminary Injunctive, Soltura Will Suffer Irreparable Harm

Soltura is unquestionably at risk of irreparable harm, having its years of careful development and investment in its distinctive trademarks and trade dress suddenly overwhelmed by one of the largest brewing companies in the world, Heineken. As one court has held,

In trademark cases, courts have found irreparable harm in the loss of control of a business’ reputation, a loss of trade and loss of goodwill. [...] Trademarks serve as the identity of their owners and in them resides the reputation and goodwill of their owners. Thus, if another person infringes the marks, that person borrows the owner’s reputation, whose quality no longer lies within the owner’s control. [...] A trademark owner’s loss of the ability to control its marks, thus, creates the potential for damage to its reputation.

CytoSport, 617 F.Supp.2d at 1080.

Here, Soltura will continue to suffer irreparable harm due to Defendants’ intentional infringement if Defendants are not enjoined from using the PALMA® trade dress and the PALMA (PLUS DESIGN) mark. Defendants’ acts have robbed Soltura of control over the reputation of the beer sold under the PALMA® trade dress and the PALMA (PLUS DESIGN) mark—a reputation which Soltura has spent years and a substantial amount of resources building and carefully

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cultivating. (Wadley Decl. at ¶ 7–9, 13–15); *see Starbucks Corp. v. Heller*, CV 14-01383 MMM MRWX, 2014 WL 6685662, at *9 (C.D.Cal. Nov. 26, 2014) (loss of control over quality of goods under the marks constitutes irreparable harm); *Kalologie Fran. LLC v. Kalologie Skincare Med. Group of Cal.*, CV 14-00016 DDP VBKx, 2014 WL 953442, at *5 (C.D.Cal. Mar. 11, 2014) (“A plaintiff’s loss of control over its business reputation resulting from a defendant’s alleged unauthorized use of its protected mark during the pendency of an infringement action can constitute irreparable harm justifying injunctive relief.”); *Vox Amplification Ltd. v. Meusdorffer*, CV 13-4922 ADS GRB, 2014 WL 558866, at *15 (E.D.N.Y. Feb. 11, 2014) (finding irreparable harm where plaintiff had “established substantial goodwill” in its marks over years of use and the use of similar marks by a competitor was cause plaintiffs to suffer “a loss of goodwill, erosion of its customer base and a loss of reputation.”).

Moreover, Soltura will suffer (if it has not already) harm to its goodwill and lose control of its reputation due to consumer confusion that Defendants’ products are connected or affiliated with or sponsored by Soltura.¹³ *See OTR Wheel Eng’g, Inc. v. W. Worldwide Servs., Inc.*, 602 F.App’x 669, 672 (9th Cir. 2015) (“Loss of control over business reputation and damage to goodwill are cognizable irreparable harms in the trademark infringement context.”); *Cent. 21 Real Est. LLC v. Ramrom Enters.*, 1:14-CV-00788-AWI, 2014 WL 3615790, at *4 (E.D.Cal. July 22, 2014) (recognizing that “harm to plaintiff’s goodwill” is irreparable in the court’s decision to grant preliminary injunction).

In *CytoSport*, the Ninth Circuit found that defendant’s products and advertising entering the marketplace would cause the plaintiff irreparable harm

¹³ Soltura acted promptly in attempting to negotiate a resolution to this likelihood of confusion with Defendants’ infringing product/design. Soltura sent Defendants a cease and desist letter as soon as it became aware of the product and before the La Tropical launch party. The parties discussed Defendants changing their logo, however, these efforts were unsuccessful as Defendants were unwilling to make any significant or substantial changes to their design. (Sybert Decl. ¶ 2.)

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1 because these activities prevented plaintiff from controlling the reputation of its
2 highly recognizable and valuable brand. 617 F.Supp.2d at 1080–81. Similarly, in
3 Soltura’s case, consumers who anticipate the availability of Soltura’s PALMA®
4 beer in their market will be misled by Defendants’ similar products being sold in
5 the same market.¹⁴ This type of confusion inevitably harms Soltura’s brand,
6 weakens the unique association between Soltura’s marks/trade dress and Soltura,
7 and will lead to lost sales and lost customers. *See id.*

8 Further, retailer interest in carrying Soltura’s beer is likely to be weakened
9 by the existence of Defendants’ brand, as retailers are likely to perceive the parties’
10 brands to be the same or interchangeable.¹⁵ *See Stuhlbarg Int’l Sales Co. v. Brush*
11 *& Co.*, 240 F.3d 832, 841 (9th Cir. 2001) (upholding the finding of irreparable
12 harm based on “threatened loss of prospective customers” and “accompanying
13 goodwill and revenue”). Because retailers may buy Defendants’ beer instead of
14 Soltura’s due to the perception of being the same or interchangeable, the
15 irreparable injury to Soltura is substantially magnified because the cachet and aura
16 around which Soltura’s PALMA® brand has been built will be destroyed, causing
17 further loss of customers and goodwill.

18 Finally, consumers who are unsatisfied with Defendants’ Tropi Crystal beer
19 could be unlikely to purchase Soltura’s PALMA® beer thinking that it is
20 connected with a product they did not enjoy. *See IHOP Fran., LLC v. Tabel*, 13-
21 2641-KHV-TJJ, 2014 WL 1767199, at *11 (D.Kan. Apr. 15, 2014) report and rec.
22 adopted, CIV.A. 13-2641-KHV, 2014 WL 1767191 (D.Kan. Apr. 30, 2014)
23 (confusion over the source of defendant’s goods is cognizable irreparable harm

24 ///

25 ¹⁴ It may even well lead to *reverse* confusion, leading consumers to think that somehow Soltura is infringing the larger,
26 more famous brewer, Heineken. *See Ironhawk Techs., Inc. v. Dropbox, Inc.*, 2 F.4th 1150, 1160 (9th Cir. 2021) (“We
27 have explained that reverse confusion occurs when a person who knows only of the well-known junior user comes
into contact with the lesser-known senior user, and because of the similarity of the marks, mistakenly thinks that the
senior user is the same as or is affiliated with the junior user.”).

¹⁵ Or, again, to prefer to deal with Heineken as the larger, more powerful supplier.

1 because “[a]ny unfortunate shortcoming or disappointment a customer may
2 experience” will be unfairly attributed to plaintiff).

3 Thus, Soltura has proven irreparable injury if Defendants are not enjoined.

4 **C. The Balance of Equities Tips Sharply in Soltura’s Favor**

5 Because the likelihood of confusion factors favor Soltura, the balance of
6 equities also tips sharply in Soltura’s favor. *See Ocean Garden, Inc. v. Marktrade*
7 *Co.*, 953 F.2d 500, 508 (9th Cir. 1991) (“Given the above six [*Sleekcraft*] factors
8 [favoring the plaintiff], the balance of hardships tips sharply in [plaintiff’s] favor
9 and it would have been an abuse of discretion for the district court not to grant the
10 preliminary injunction.”). Further, a defendant “cannot complain of the harm that
11 will befall [him] when properly forced to desist from [his] infringing activities.”
12 *Triad Sys. Corp. v. S.E. Exp. Co.*, 64 F.3d 1330, 1338 (9th Cir. 1995). Any
13 potential harm to Defendants that may result from being enjoined from infringing
14 Soltura’s mark and trade dress—an unlawful activity—is legally irrelevant in light
15 of Soltura’s likelihood of success on the merits and the irreparable harm caused by
16 Defendants’ conduct. *See id.* (defendant “cannot complain of the harm that will
17 befall it when properly forced to desist from its infringing activities.”); *Cadence*
18 *Design Sys. v. Avant! Corp.*, 125 F.3d 824, 830 (9th Cir. 1997) (holding that it was
19 reversible error to consider “the fact that an injunction would be devastating to
20 [defendant’s] business” because “where the only hardship that the defendant will
21 suffer is lost profits from an activity which has been shown likely to be infringing,
22 such an argument in defense merits little equitable consideration.”).

23 Moreover, Defendants have harmed themselves by continuing to use
24 Soltura’s design despite “actual and constructive knowledge of the similarity
25 between [their] marks and Plaintiff’s mark.” *Moroccanoil*, 590 F.Supp.2d at 1282.
26 As in *Moroccanoil*, Defendants had actual notice of the confusing similarity
27 between its mark and Soltura’s PALMA® trade dress and the PALMA (PLUS

DESIGN) mark due to the cease and desist letter sent to Defendants, (*see* Sybert Decl. at ¶ 2), and the filing of this lawsuit. Thus, any injury that Defendants may suffer if preliminarily enjoined may be discounted by the fact that Defendants brought the injury upon themselves by continuing to maintain a deceptively similar trademark and trade dress. *MoroccanOil*, 590 F.Supp.2d at 1282.

Soltura does not seek to stop Defendants from making or selling beer. Soltura simply asks that Defendants be enjoined from using a design that is substantially similar to Soltura's PALMA® trade dress and the PALMA (PLUS DESIGN) mark. Accordingly, the balance of equities tips in favor of Soltura.

D. Public Interest Supports The Issuance of an Injunction

Lastly, courts look to determine if an injunction is in the public interest. "In the trademark context, courts often define the public interest at stake as the right of the public not to be deceived or confused." *CytoSport*, 617 F.Supp.2d at 1081. "By using confusingly similar marks, Defendant is depriving consumers of their ability to distinguish among the goods of competing manufacturers." *MoroccanOil*, 590 F.Supp.2d at 1282. The public interest favors protecting consumers from confusion by entering an injunction. *Id.* Consequently, "[t]he likelihood of confusion to consumers is [a] critical factor in our consideration' of harm to the public, as '[t]he public has an interest in avoiding confusion between two companies' products." *Aurora World, Inc. v. Ty Inc.*, 719 F.Supp.2d 1115, 1127 (C.D.Cal. 2009).

Here, enjoining Defendants' infringement inherently serves the public interest, and the grant of injunctive relief is necessary to protect consumers from the harm that would arise from confusion between Soltura's PALMA® beer and Defendants' Tropi Crystal beer. In light of the public's right not to be deceived or confused, and Defendants' evident intent to continue confusing consumers, the public interest strongly supports the issuance of an injunction.

V. CONCLUSION

For the reasons set forth above, Soltura respectfully requests that this Court grant Soltura's Motion for Preliminary Injunction pursuant to Federal Rule of Civil Procedure 65(a), enjoining Defendants, their officers, agents, servants, employees, attorneys, and those in active concert or participation with it who receive actual notice of the order by personal service or otherwise, from: further acts of infringement of the PALMA (PLUS DESIGN) mark; utilizing or imitating Soltura's trademarks or trade dress, including but not limited to manufacturing, distributing, advertising, selling, or offering for sale, any products which use any trademark which is confusingly similar to the PALMA (PLUS DESIGN) mark or the PALMA® trade dress; injuring the commercial reputation, renown, and goodwill of Soltura; and unfairly competing with Soltura in any manner whatsoever and ordering Defendants to cancel all orders for the Tropi Crystal products embodying marks confusingly similar to Soltura's.

Respectfully submitted,

Dated: August 28, 2023

GORDON REES SCULLY MANSUKHANI,
LLP

By: /s/ Richard P. Sybert

Richard P. Sybert

Hannah E. Brown

Attorneys for Plaintiff

SOLTURA, LLC dba BUCANERO USA

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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

SOLTURA, LLC dba BUCANERO USA,

Plaintiff,

vs.

CERVECERÍA LA TROPICAL USA
LLC and LA TROPICAL HOLDINGS
B.V.,

Defendants.

Case No. 3:23-cv-01104-JES-KSC

**DECLARATION OF RICHARD P.
SYBERT IN SUPPORT OF
PLAINTIFF'S MOTION FOR
PRELIMINARY INJUNCTION**

Hearing Date: October 11, 2023
Hearing Time: 9:30 a.m.

District Judge: James E. Simmons, Jr.
Magistrate Judge: Karen S. Crawford

Complaint Filed: June 13, 2023

I, Richard P. Sybert, declare and state as follows:

1. I am an attorney duly licensed to practice before all the Courts of the State of California and I am an partner with Gordon Rees Scully Mansukhani, LLP, counsel of record for Plaintiff Soltura, LLC dba Bucanero USA ("Soltura"). Except where otherwise stated or obvious from context, I have personal knowledge of the facts set forth herein and, if called as a witness, could and would competently testify thereto. I submit this declaration in support of Plaintiff's Motion for Preliminary Injunction.

2. I sent a cease and desist letter sent to Defendants Cerveceria La

1 Tropical USA, LLC and La Tropical Holdings B.V. (“Defendants”) on April 4,
2 2023. The parties discussed Defendants changing their logo, however, these
3 efforts were unsuccessful due to Defendants unwilling to make any significant or
4 substantial changes to their design.

5
6 I declare under penalty of perjury under the laws of the United States that
7 the foregoing is true and correct.

8 Executed on August 28, 2023 in San Diego, CA
9
10

11 /s/ Richard P. Sybert

12 Richard P. Sybert
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Attorneys for Plaintiff
SOLTURA, LLC dba BUCANERO USA

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

SOLTURA, LLC dba BUCANERO USA,

Plaintiff,

vs.

CERVECERÍA LA TROPICAL USA
LLC and LA TROPICAL HOLDINGS
B.V.,

Defendants.

Case No. 3:23-cv-01104-JES-KSC

**DECLARATION OF MARTIN
WADLEY IN SUPPORT OF
PLAINTIFF'S MOTION FOR
PRELIMINARY INJUNCTION**

District Judge: James E. Simmons, Jr.
Magistrate Judge: Karen S. Crawford

Complaint Filed: June 13, 2023

I, Martin Wadley, declare and state as follows:

1. I am the owner of Plaintiff Soltura, LLC dba Bucanero USA ("Soltura"). I am above eighteen years of age and am competent to give the testimony set forth below. Said testimony is given from my own personal knowledge. If called as a witness I could and would competently and truthfully testify as set forth below. I make this declaration in support of Soltura's Motion for Preliminary Injunction.

2. Soltura is the originator and importer of Cerveza PALMA®, a high-quality beer. PALMA® beer is high-selling and popular across the country.

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San Diego, CA 92101

1 PALMA® beer is a refreshing, crisp Pilsner malt that is enjoyed by those looking
2 for a refreshing and tasty alcoholic beverage.

3 3. Soltura designed the product to be reminiscent of a Cuban beer Cerveza
4 Cristal.

5 4. To my knowledge, the Cuban beer Cerveza Cristal has never been sold
6 in the United States.

7 5. Soltura has a duly registered federal trademark for PALMA® beer and
8 its distinctive design. Soltura is the owner of registered trademark, United States
9 Trademark Registration No. 5,824,189, CERVEZA PALMA and Design
10 (hereinafter “PALMA (PLUS DESIGN) mark”), which was registered on August 6,
11 2019. (See ECF No. 1-2, Exh. A to Compl.)

12 6. Attached as Exhibit 1 is a true and correct copy of the TSDR page for
13 United States Trademark Registration No. 5,824,189.

14 7. Soltura has used the mark in connection with Palma beer since at least
15 August 2018.

16 8. Based on my knowledge of the product and the industry, the PALMA (PLUS
17 DESIGN) mark has become closely associated with the PALMA® beer products.

18 9. PALMA® beer is currently distributed in California, Florida, Illinois,
19 Maryland, Texas, and Wisconsin.

20 10. PALMA® beer is sold in alcohol stores and supermarket chains, such
21 as Walmart, Target, Publix, ABC Liquor, Total Wine & More, BevMo, Northgate
22 Markets, El Super Market, and Presidente Markets and is available at over 2500
23 retail locations.

24 11. Along with the trademark, PALMA® beer is marketed using a unique
25 design. Specifically, each beer is an aluminum can, and on the can and packaging of
26 these beverages is: (a) a green background with a contrasting red stripe that runs
27 diagonally upwards from left to right across the center of the product; (b) the name
28

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San Diego, CA 92101

1 of the product in white text offset against the red stripe; (c) a white oval displaying
2 a palm tree image; (d) a Spanish phrase featuring “La Preferida” or “The Favorite”
3 (“the preferred one”) as a slogan.

4 12. PALMA® beer is sold in aluminum cans and is packaged in 6-packs
5 and 12-packs of cans. The design described in paragraph 11 is used on all packaging
6 and all cans of PALMA® beer.

7 13. Soltura’s marks have been strengthened through extensive sales,
8 advertising and publicity.

9 14. As to sales, Soltura enjoys a substantial demand for this product. Since
10 it debuted the product in 2018, Soltura has sold over 900,000 cases (24x12 oz cans)
11 to date of beer. Every product sold uses the above-mentioned trademark and design.

12 15. As to advertising and publicity, Soltura always advertises PALMA®
13 beer using the unique design and trademark through signs, stickers, and sell-sheets
14 in stores. Soltura also advertises PALMA® beer via online digital advertising, social
15 media, its website, billboards, and trucks. All advertisements consistently contain
16 the unique design and trademark so that viewers will associate the image of
17 PALMA® beer with Soltura.

18 16. These 6-packs of cans usually retail for under \$12.00 with 12-pack of
19 cans usually selling for under \$22.00.¹

20 17. I understand that Defendants Cervceria La Tropical USA, LLC and La
21 Tropical Holdings B.V. (“Defendants”) brew and sell beer, with one of their beers
22 being called TROPI CRYSTAL.

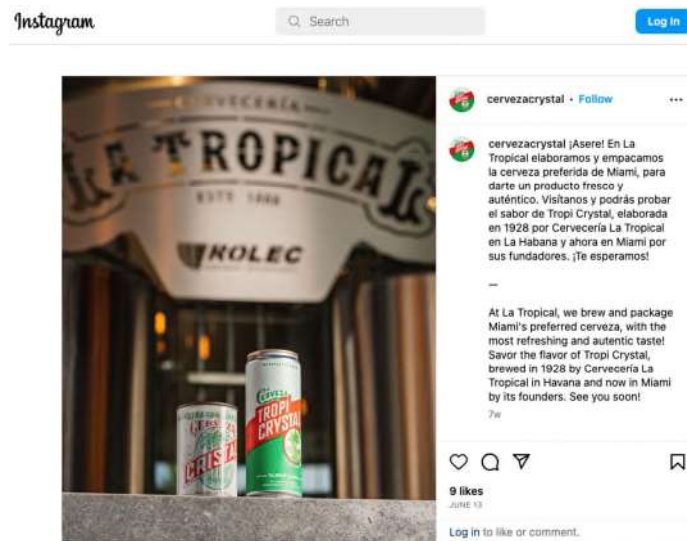
23 18. It is my understanding and based on my review of their products and
24 advertising that Defendants’ product is also intended to be reminiscent of that same
25 Cuban beer “Cerveza Cristal.”
26

27 ¹ See Total Wine & More, (\$9.99), [https://www.totalwine.com/beer/lager/americanstyle-](https://www.totalwine.com/beer/lager/americanstyle-lager/palma- cerveza/p/227582121)
28 <https://www.target.com/p/palma-lager-beer-6pk-12-fl-oz-cans/-/A-83927820>.

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19. It is my understanding that Defendants are currently selling their products in the marketplace. And it appears based on my review of their website that TROPIC CRYSTAL products are distributed or will be distributed at many of the same retailers where PALMA® beer is currently sold, such as Total Wine & More, ABC Liquor, Publix, and Target.

20. On information and belief, Defendants also advertise and sell merchandise through the La Tropical website, and market on Facebook² and Instagram³, and use similar in-store displays and brand packaging, as indicated below:



² Facebook:
<https://www.facebook.com/photo.php?fbid=779253434203584&set=pb.100063568032605.-2207520000.&type=3>.

³ @latropicalbeer Instagram page



21. To my knowledge, there are no parties in violation of Soltura's trademark or trade dress rights in the United States besides Defendants.

I declare under penalty of perjury and the laws of the United States that the above is true and correct to the best of my knowledge.

Executed on August 23, 2023 in San Diego, CA.



Martin Wadley

EXHIBIT 1

EXHIBIT 1

Generated on: This page was generated by TSDR on 2023-08-23 17:35:23 EDT

Mark: CERVEZA PALMA



US Serial Number: 87876393

Application Filing Date: Apr. 13, 2018

US Registration Number: 5824189

Registration Date: Aug. 06, 2019

Filed as TEAS RF: Yes

Currently TEAS RF: Yes

Register: Principal

Mark Type: Trademark

TM5 Common Status Descriptor:



LIVE/REGISTRATION/Issued and Active

The trademark application has been registered with the Office.

Status: Registered. The registration date is used to determine when post-registration maintenance documents are due.

Status Date: Aug. 06, 2019

Publication Date: Feb. 19, 2019

Mark Information

Mark Literal Elements: CERVEZA PALMA

Standard Character Claim: No

Mark Drawing Type: 3 - AN ILLUSTRATION DRAWING WHICH INCLUDES WORD(S)/ LETTER(S)/NUMBER(S)

Description of Mark: The mark consists of the stylized wording "CERVEZA" against a quadrilateral. The stylized wording "PALMA" is underneath against two concentric quadrilaterals. The text is superimposed upon a design of a palm tree that stands on a small tuft of grass against the backdrop of an oval that is bisected by diagonal tapering lines. The oval is bordered by two concentric outlines of varied widths.

Color(s) Claimed: Color is not claimed as a feature of the mark.

Disclaimer: "CERVEZA"

Translation: The English translation of "Cerveza Palma" in the mark is "Beer Palm".

Design Search Code(s): 05.01.03 - Palm trees
 05.13.03 - Grasses
 26.03.21 - Ovals that are completely or partially shaded
 26.13.12 - Quadrilaterals with bars, bands and lines
 26.13.14 - Three or more quadrilaterals; Quadrilateral (three or more quadrilaterals)
 26.13.16 - Quadrilaterals touching or intersecting
 26.13.21 - Quadrilaterals that are completely or partially shaded
 26.17.01 - Straight line(s), band(s) or bar(s); Lines, straight; Bars, straight; Bands, straight
 26.17.06 - Lines, diagonal; Diagonal line(s), band(s) or bar(s); Bars, diagonal; Bands, diagonal

Goods and Services

Note:

The following symbols indicate that the registrant/owner has amended the goods/services:

- Brackets [...] indicate deleted goods/services;
- Double parenthesis ((...)) identify any goods/services not claimed in a Section 15 affidavit of incontestability; and
- Asterisks *,* identify additional (new) wording in the goods/services.

For: Beer

International Class(es): 032 - Primary Class

U.S Class(es): 045, 046, 048

Class Status: ACTIVE

Basis: 1(a)

First Use: Apr. 09, 2018

Use in Commerce: Apr. 09, 2018

Basis Information (Case Level)

Filed Use: Yes

Currently Use: Yes

Filed ITU: No

Currently ITU: No

Filed 44D: No

Currently 44E: No

Filed 44E: No

Currently 66A: No

Filed 66A: No

Currently No Basis: No

Filed No Basis: No

Current Owner(s) Information

Owner Name: Soltura LLC

Owner Address: 312 N Rios Avenue
Solana Beach, CALIFORNIA UNITED STATES 92075

Legal Entity Type: LIMITED LIABILITY COMPANY

State or Country CALIFORNIA
Where Organized:

Attorney/Correspondence Information

Attorney of Record - None

Correspondent

Correspondent SOLTURA LLC

Name/Address: 312 N RIOS AVE
SOLANA BEACH, CALIFORNIA UNITED STATES 92075

Phone: 858-480-9020

Correspondent e-mail: martinwadley@outlook.com martin.solturallc@outlook.com

Correspondent e-mail Authorized: Yes

Domestic Representative - Not Found

Prosecution History

Date	Description	Proceeding Number
Mar. 31, 2021	NOTICE OF SUIT	
Aug. 06, 2019	REGISTERED-PRINCIPAL REGISTER	
Jun. 30, 2019	EXTENSION OF TIME TO OPPOSE PROCESS - TERMINATED	
Mar. 20, 2019	EXTENSION OF TIME TO OPPOSE RECEIVED	
Feb. 19, 2019	OFFICIAL GAZETTE PUBLICATION CONFIRMATION E-MAILED	
Feb. 19, 2019	PUBLISHED FOR OPPOSITION	
Jan. 30, 2019	NOTIFICATION OF NOTICE OF PUBLICATION E-MAILED	
Jan. 07, 2019	TEAS CHANGE OF CORRESPONDENCE RECEIVED	
Jan. 08, 2019	APPROVED FOR PUB - PRINCIPAL REGISTER	
Jan. 08, 2019	EXAMINER'S AMENDMENT ENTERED	88888
Jan. 08, 2019	NOTIFICATION OF EXAMINERS AMENDMENT E-MAILED	6328
Jan. 08, 2019	EXAMINERS AMENDMENT E-MAILED	6328
Jan. 08, 2019	EXAMINERS AMENDMENT -WRITTEN	80800
Jan. 07, 2019	TEAS/EMAIL CORRESPONDENCE ENTERED	88889
Jan. 07, 2019	CORRESPONDENCE RECEIVED IN LAW OFFICE	88889
Jan. 07, 2019	TEAS RESPONSE TO OFFICE ACTION RECEIVED	
Aug. 03, 2018	NOTIFICATION OF NON-FINAL ACTION E-MAILED	6325
Aug. 03, 2018	NON-FINAL ACTION E-MAILED	6325
Aug. 03, 2018	NON-FINAL ACTION WRITTEN	80800
Aug. 02, 2018	ASSIGNED TO EXAMINER	80800

Apr. 24, 2018 NOTICE OF DESIGN SEARCH CODE E-MAILED
 Apr. 21, 2018 NEW APPLICATION OFFICE SUPPLIED DATA ENTERED
 Apr. 17, 2018 NEW APPLICATION ENTERED

TM Staff and Location Information

TM Staff Information - None

File Location

Current Location: PUBLICATION AND ISSUE SECTION

Date in Location: Aug. 06, 2019

Proceedings

Summary

Number of 1
 Proceedings:

Type of Proceeding: Extension of Time

Proceeding Number: [87876393](#)

Filing Date: Mar 20, 2019

Status: Terminated

Status Date: Jun 30, 2019

Interlocutory Attorney:

Defendant

Name: Soltura LLC

Correspondent SOLTURA LLC

Address: 312 N RIOS AVE
 SOLANA BEACH CA , 92075

Correspondent e-mail: martinwadley@outlook.com , martin.solturalc@outlook.com

Associated marks

Mark	Application Status	Serial Number	Registration Number
CERVEZA PALMA		87876393	

Potential Opposer(s)

Name: Cerbuco Brewing Inc.

Correspondent Andrea Anderson

Address: Holland & Hart LLP
 P.O. Box 8749__Attn: Trademark Docketing
 Denver CO UNITED STATES , 80201

Correspondent e-mail: docket@hollandhart.com , AAnderson@hollandhart.com , DSSkinner@hollandhart.com , mamoore@hollandhart.com

Prosecution History

Entry Number	History Text	Date	Due Date
2	EXT GRANTED	Mar 20, 2019	
1	FIRST 90-DAY REQUEST TO EXT TIME TO OPPOSE	Mar 20, 2019	

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SOLTURA, LLC dba BUCANERO USA

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

SOLTURA, LLC dba BUCANERO USA,

Plaintiff,

vs.

CERVECERÍA LA TROPICAL USA
LLC and LA TROPICAL HOLDINGS
B.V.,

Defendants.

Case No. 3:23-cv-01104-JES-KSC

CERTIFICATE OF SERVICE

District Judge: James E. Simmons, Jr.
Magistrate Judge: Karen S. Crawford

Complaint Filed: June 13, 2023

I am a resident of the State of California, over the age of eighteen years, and not a party to the within action. My business addresses is: Gordon Rees Scully Mansukhani, 101 W. Broadway, Suite 2000, San Diego, CA 92101.

On **August 28, 2023**, I served the foregoing document(s) entitled:

1. **NOTICE OF PLAINTIFF SOLTURA, LLC'S MOTION FOR PRELIMINARY INJUNCTION**
2. **MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY INJUNCTION**
3. **DECLARATION OF MARTIN WADLEY IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY INJUNCTION**

///

Gordon Rees Scully Mansukhani, LLP
101 W. Broadway, Suite 2000
San Diego, CA 92101

4. **DECLARATION OF RICHARD P. SYBERT IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY INJUNCTION**

- ☒ **BY U.S. MAIL** by placing the document(s) listed above in a sealed envelope with postage thereon fully prepaid, in United States mail in the State of California addressed as set forth below pursuant to FRCP 5(b)(C).
- ☒ **BY ELECTRONIC MAIL** by transmitting via electronic mail the document(s) listed above to the address(es) listed below on this date pursuant to FRCP 5(b)(2)(E).
- ☐ **BY OVERNIGHT DELIVERY:** by placing a true copy thereof enclosed in a sealed envelope, at a station designated for collection and processing of envelopes and packages for overnight delivery by **Federal Express** as part of the ordinary business practices of Gordon & Rees LLP, addressed as set forth below.
- ☐ **BY ELECTRONIC SERVICE THROUGH THE CM/ECF SYSTEM** which automatically generates a Notice of Electronic Filing at the time said document is filed to all CM/ECF Users who have appeared in this case. Service with this NEF constitutes service pursuant to FRCP 5(b)(E).

Gregory A. Nyle, Esq.
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18565 Jamboree Road, Suite 500
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Tel: (949) 732-6504
Email: nylen@gtlaw.com

*Attorneys for Defendants
CERVECERIA LA TROPICAL
USA, LLC and LA TROPICAL
HOLDINGS B.V.*

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct and that I am employed in the office of a member of the bar of this court at whose direction this service was made.

Executed on **August 28, 2023**.



Rebeca Meza